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# ENVIRONMENTAL ASSESSMENT BOARD

VOLUME: 394

DATE: Tuesday, August 11, 1992

BEFORE:

A. KOVEN Chairman

E. MARTEL Member

FOR HEARING UPDATES CALL (COLLECT CALLS ACCEPTED) (416)963-1249



**FARR &**  
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REPORTING INC.

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2300 Yonge St., Suite 709, Toronto, Canada M4P 1E4







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HEARING ON THE PROPOSAL BY THE MINISTRY OF NATURAL  
RESOURCES FOR A CLASS ENVIRONMENTAL ASSESSMENT FOR  
TIMBER MANAGEMENT ON CROWN LANDS IN ONTARIO

IN THE MATTER of the Environmental  
Assessment Act, R.S.O. 1980, c.140;

- and -

IN THE MATTER of the Class Environmental  
Assessment for Timber Management on Crown  
Lands in Ontario;

- and -

IN THE MATTER of a Notice by The Honourable  
Jim Bradley, Minister of the Environment,  
requiring the Environmental Assessment  
Board to hold a hearing with respect to a  
Class Environmental Assessment (No.  
NR-AA-30) of an undertaking by the Ministry  
of Natural Resources for the activity of  
Timber Management on Crown Lands in  
Ontario.

-----  
Hearing held at the Civic Square, Council  
Chambers, Sudbury, Ontario on Tuesday,  
August 11, 1992, commencing at 8:30 a.m.

-----  
VOLUME 394

BEFORE:

MRS. ANNE KOVEN  
MR. ELIE MARTEL

Chairman  
Member







A P P E A R A N C E S

MR. V. FREIDIN, Q.C.	)	MINISTRY OF NATURAL
MS. C. BLASTORAH	)	RESOURCES
MS. K. MURPHY	)	
MR. B. CAMPBELL	)	
MS. J. SEABORN	)	MINISTRY OF ENVIRONMENT
MS. N. GILLESPIE	)	
MR. R. TUER, Q.C.	)	ONTARIO FOREST INDUSTRY
MR. R. COSMAN	)	ASSOCIATION and ONTARIO
MS. E. CRONK	)	LUMBER MANUFACTURERS'
MR. P.R. CASSIDY	)	ASSOCIATION
MR. D. HUNT	)	
MR. R. BERAM		ENVIRONMENTAL ASSESSMENT BOARD
MR. J.E. HANNA	)	ONTARIO FEDERATION
DR. T. QUINNEY	)	OF ANGLERS & HUNTERS
MR. D. O'LEARY		
MR. D. HUNTER	)	NISHNAWBE-ASKI NATION
MR. M. BAEDER	)	and WINDIGO TRIBAL COUNCIL
MS. M. SWENARCHUK	)	FORESTS FOR TOMORROW
MR. R. LINDGREN	)	
MR. D. COLBORNE	)	GRAND COUNCIL TREATY #3
MR. G. KAKEWAY	)	
MR. J. IRWIN		ONTARIO METIS & ABORIGINAL ASSOCIATION
MS. M. HALL		KIMBERLY-CLARK OF CANADA LIMITED and SPRUCE FALLS POWER & PAPER COMPANY







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MR. D. KING		VENTURE TOURISM ASSOCIATION OF ONTARIO
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MR. G.J. KINLIN		DEPARTMENT OF JUSTICE
MR. S.J. STEPINAC		MINISTRY OF NORTHERN DEVELOPMENT & MINES
MR. M. COATES		ONTARIO FORESTRY ASSOCIATION
MR. P. ODORIZZI		BEARDMORE-LAKE NIPIGON WATCHDOG SOCIETY





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MR. M.O. EDWARDS	FORT FRANCES CHAMBER OF COMMERCE
MR. P.D. McCUTCHEON	GEORGE NIXON
MR. C. BRUNETTA	NORTHWESTERN ONTARIO TOURISM ASSOCIATION





I N D E X   O F   P R O C E E D I N G S

<u>Witness:</u>	<u>Page No.</u>
<u>DAVID BALSILLIE</u> ; Sworn.	
<u>DAVE GORDON</u> ,	
<u>FRANK KENNEDY</u> ,	
<u>AL BISSCHOP</u> ; Resumed.	67776
Direct Examination by Mr. Freidin	67780
Cross-Examination by Mr. Cassidy	67852
Cross-Examination by Mr. Lindgren	67859
Cross-Examination by Ms. Gillespie	67922





I N D E X   O F   E X H I B I T S

<u>Exhibit No.</u>	<u>Description</u>	<u>Page No.</u>
2309	MNR Reply Witness Statement No. 4.	67775
2310	MNR interrogatory responses to MOE re Reply Panel No. 4.	67775
2311	MNR interrogatory responses to FFT re Reply Panel No. 4.	67776
2312	Resume of Dr. David Balsillie.	67776
2313A	Set of overheads entitled MNR Reply Panel 5, Part A.	67780
2313B	Set of overheads entitled MNR Reply Panel 4, Part B.	67780
2313C	Set of overheads entitled MNR Reply Panel 4, Part C.	67780
2314A	Excerpts from the Class EA for municipal road projects.	67874
2314B	Excerpts from the Class EA for municipal sewage and water projects.	67874
2315	Six-page package containing an undated letter from Mr. Wildman together with a two-page news release on sustainable forestry and the minister's four-page statement to the House dated May 7, 1991 on sustainable forestry.	67893





I N D E X   O F   E X H I B I T S  
(Cont'd)

<u>Exhibit No.</u>	<u>Description</u>	<u>Page No.</u>
2316	Four-page document consisting of a two-page letter dated May 16, 1991 and a two-page description of the terms of reference for the independent audit.	67902
2317	Discussion paper published by the forest policy panel and it is dated June 1992.	67904
2318A	Letter of August 10th, 1992 to Ms. Murphy from Mr. Colborne including a one-page attachment entitled Resolution.	67931
2318B	Two-page letter of August 11th from Mr. Colborne to Ms. Murphy.	67931
2318C	Letter of August 11, 1992 from Ms. Murphy to Mr. Colborne.	67931
2319	OPSEU's response to Board interrogatories.	67934





1 ---Upon commencing at 9:30 a.m.

2 MADAM CHAIR: Good morning, Mr. Freidin.  
3 Would you like to get started?

4 MR. FREIDIN: I would like to start off  
5 with just a couple of housekeeping matters, Madam  
6 Chair.

7 Firstly, you will recall there was an  
8 undertaking given by the Ministry in Reply Panel No. 2  
9 to provide certain details regarding the number of  
10 clearcuts over 260 and to indicate in effect what the  
11 estimated size of those clearcuts were and to indicate  
12 what the rationale was for those cuts exceeding 260.

13 I have a letter dated August 11, '92 with  
14 an attachment which is described in the letter.  
15 Exhibit No. 2270 was reserved for this documentation.  
16 So I would just like to provide the parties and the  
17 Board with the answer to that particular undertaking.  
18 Mr. Clark will distribute that.

19 I would also ask him at this time to  
20 distribute a copy of Exhibit 1656. I have a very brief  
21 question to ask Mr. Gordon about that matter before we  
22 commence Panel No. 4.

23 Madam Chair, you have two documents. I  
24 think we can just put aside the answer to the  
25 undertaking which is Exhibit 2270.



1                   In relation to the one-page document,  
2           Exhibit 1656, I have one question for Mr. Gordon.

3                   This exhibit, Madam Chair, was filed  
4           during a cross-examination by me of Mr. Benson in Panel  
5           No. 5 for Forests for Tomorrow and I asked Mr. Benson  
6           whether he could confirm whether the numbers in this  
7           particular document were accurate or in the ballpark.

8                   He indicated that he was not able to do  
9           that and I would just like to ask Mr. Gordon whether he  
10          is able to, in fact, comment on the accuracy of the  
11          numbers which are contained in Exhibit 1656.

12                   MR. GORDON: Yes, Madam Chair. I  
13          prepared that table during our preparation of  
14          cross-examination of Mr. Benson and the reference to  
15          the Finland numbers was taken from the Yearbook of  
16          Forestry Statistics 1988 which is available in our  
17          Ministry of Natural Resources' library.

18                   The reference to the Swedish statistics  
19          was taken from a personal copy of a book called the  
20          Swedish Forest which is some 1982 statistics. I have  
21          my copy here.

22                   Then the statistics that are shown for  
23          Ontario were taken from the public available MNR  
24          statistics 1988/89.

25                   MR. FREIDIN: Thank you, Mr. Gordon.

1                   Madam Chair, I would like to commence  
2 Panel No. 4 by filing as the next exhibit a copy of  
3 Ministry of Natural Resources' Reply Statement of  
4 Evidence No. 4.

5                   MADAM CHAIR: Mr. Freidin, MNR Reply No.  
6 4, the witness statement, will be Exhibit 2309.

7 ---EXHIBIT NO. 2309: MNR Reply Witness Statement  
8                                   No. 4.

9                   MR. FREIDIN: The next document I would  
10 like to file are the Ministry of Natural Resources'  
11 responses to interrogatories asked by the Ministry of  
12 the Environment for Panel No. 4 and they are provided  
13 with a covering letter of June the 15th, 1992 from  
14 myself to Ms. Seaborn.

15                  MADAM CHAIR: The interrogatories  
16 provided to the Ministry of the Environment with  
17 respect to Reply Panel No. 4 will be Exhibit 2310.

18 ---EXHIBIT NO. 2310: MNR interrogatory responses  
19                                   to MOE re Reply Panel No. 4.

20                  MR. FREIDIN: The next exhibit - I will  
21 send Mr. Clark around again - will be the responses by  
22 the Ministry of Natural Resources to interrogatories  
23 asked by Forests for Tomorrow in relation to MNR Reply  
24 Panel No. 4.

25                  MADAM CHAIR: Interrogatory responses to



1 Forests for Tomorrow which comprises 20 pages will be  
2 Exhibit 2311.

3 ---EXHIBIT NO. 2311: MNR interrogatory responses to  
4 FFT re Reply Panel No. 4.

5 MR. FREIDIN: Madam Chair, we have one  
6 new witness on this particular panel. I would like to  
7 just commence by filing a copy of the resume of Dr.  
8 David Balsillie.

9 MADAM CHAIR: Dr. Balsillie's resume will  
10 be Exhibit 2312.

11 ---EXHIBIT NO. 2312: Resume of Dr. David Balsillie.

12 MR. FREIDIN: Dr. Balsillie has indicated  
13 that he would prefer to be sworn.

14 So, Dr. Balsillie, if you could just  
15 approach Madam Chair and she will swear you on the  
16 Bible.

17 DAVID BALSILLIE; Sworn.  
18 DAVE GORDON,  
19 FRANK KENNEDY,  
AL BISSCHOP; Resumed.

20 MR. FREIDIN: Madam Chair, I believe  
21 copies of this particular resume had been provided  
22 before and if some people have not had an opportunity  
23 to look at it, I think probably Dr. Balsillie's  
24 reputation and his past experience sort of proceeds  
25 him.

1                   You will note that a review of that  
2 document indicates that Dr. Balsillie graduated with a  
3 Doctor in Forest Pathology from the University of  
4 Toronto in 1972 and that he has served as the Assistant  
5 Deputy Minister in the Ministry of the Environment for  
6 the period indicated therein.

7                   What period of time was at that, Dr.  
8 Balsillie?

9                   DR. BALSILLIE: It was from June of 1986  
10 until November of 1990.

11                  MR. FREIDIN: And it is since that time  
12 that you have been the Assistant Deputy Minister,  
13 Policy Division, with the Ministry of Natural  
14 Resources?

15                  DR. BALSILLIE: That's correct.

16                  MR. FREIDIN: Madam Chair, I don't intend  
17 to review this lengthy CV, but would ask that Dr.  
18 Balsillie be qualified as an expert in government and  
19 Ministry policy formulation and implementation.

20                  MADAM CHAIR: Any objections to Dr.  
21 Balsillie being qualified as an expert in government  
22 and ministry policy formulation and implementation?

23                  MR. LINDGREN: I just want clarification.

24                  Mr. Freidin, when you say ministry, are  
25 you referring to the Ministry of Natural Resources?

1 DR. BALSILLIE: I think that over time,  
2 Mr. Lindgren, I have had experience in both the  
3 Ministry of Environment and the Ministry of Natural  
4 Resources in terms of policy development and then  
5 moving that on for government approval.

6 So I would assume that having about six  
7 years in two ministries that I would have experience in  
8 both ministries in that case.

9 MS. GILLESPIE: Madam Chair, I am a  
10 little bit confused by this answer. I thought that Dr.  
11 Balsillie was giving evidence about the Ministry of  
12 Natural Resources' policy development.

13 Are we talking about the theory of  
14 government and policy development as his area of  
15 expertise?

16 MR. FREIDIN: Both the theory of it or  
17 the process of it and also an expert to give evidence  
18 as to what the present initiatives are in terms of  
19 policy in the Ministry of Natural Resources.

20 I think the answer to the question about  
21 the Ministry of the Environment is that based on his  
22 experience there, which goes back a few years, he can  
23 speak generally to those matters if someone asks him  
24 about it.

25 So with that understanding of the



1 qualifications, Madam Chair, I assume no one has any  
2 objections.

3 MADAM CHAIR: Dr. Balsillie will be so  
4 qualified.

5 MR. FREIDIN: Madam Chair, we have a  
6 number of overheads as usual that the witnesses will be  
7 relying upon. I would ask Mr. Clark to distribute  
8 them.

9 I think the way they are in fact  
10 numbered, the page numbers, there are three parts to  
11 this exhibit. So the next exhibit, which would be  
12 2313, I would ask that 2313A be a set of overheads  
13 entitled MNR Reply Panel 5, Part A.

14 You will see that there are six -- pardon  
15 me, there are seven pages to that exhibit and they are  
16 the overheads which will be used by Dr. Balsillie and  
17 Dr. Gordon in relation to the subject matters noted on  
18 the first page or the covering page; and Exhibit 2313B  
19 is entitled MNR Reply Panel 4, Part B. It is a  
20 document of a covering page plus 12 pages attached and  
21 will be the overheads used by Mr. Kennedy and Mr.  
22 Bisschop in relation to the subject matters noted on  
23 the covering page.

24 Exhibit 2313C, I would suggest, be given  
25 to a document entitled MNR Reply Panel 4, Part C which

1 is a 15 -- pardon me, is a document consisting of a  
2 covering page and 15 pages of overheads which will be  
3 used by Dr. Balsillie to deal with the subject matter  
4 of MNR new policy orientation which is indicated on the  
5 covering page.

6 ---EXHIBIT NO. 2313A: Set of overheads entitled MNR  
Reply Panel 5, Part A.

7  
8 ---EXHIBIT NO. 2313B: Set of overheads entitled MNR  
Reply Panel 4, Part B.

9 ---EXHIBIT NO. 2313C: Set of overheads entitled MNR  
Reply Panel 4, Part C.

10  
11 MR. FREIDIN: Could I proceed?

12 MADAM CHAIR: Yes.

13 DIRECT EXAMINATION BY MR. FREIDIN:

14 Q. Madam Chair, as has been the practice  
15 in the past, Mr. Kennedy will now provide a brief  
16 overview of the panel before we commence with Dr.  
17 Balsillie's evidence.

18 MR. KENNEDY: A. Madam Chair, this panel  
19 of witnesses is pleased to be here with the last of  
20 MNR's reply panels, Panel No. 4, which will conclude a  
21 series of five reply panels that MNR has come forward  
22 at this time.

23 In Reply Panel 4 we will be leading off  
24 with Dr. David Balsillie who will be discussing MNR's  
25 terms and conditions and the appropriateness of them

1 and indicating the nature of them being responsive,  
2 practical and reasonable.

3 He will be following that discussion with  
4 a general discussion on the costs and implementation  
5 strategy which MNR will be using for the terms and  
6 conditions.

7 Upon concluding that evidence Mr. Gordon  
8 will be discussing the terms and conditions funding  
9 estimates and the evolution of the terms and conditions  
10 and the costing from the period 1989 through to 1992.

11 As we move to Part B of Exhibit 2313,  
12 myself will be dealing with implementation of terms and  
13 conditions which will include a discussion of the term  
14 of approval and following that I will be touching on  
15 the amendments to the approval for the undertaking and  
16 the process and procedures that the MNR has put  
17 forward.

18 Upon concluding that evidence, Mr. Al  
19 Bisschop will be dealing with a number of EA-related  
20 matters and from there we will be moving to Part C of  
21 the exhibit and Dr. David Balsillie will close the  
22 panel dealing with a discussion of MNR's new policy  
23 orientation.

24 As with other panels, we are not speaking  
25 to all of the elements contained within the reply



1 statement of evidence and I would specifically like to  
2 highlight to the Board that we are not intending to  
3 lead any further evidence on the MNR reorganization and  
4 our new structure.

5 We believe that matter has been  
6 sufficiently dealt with in the written material  
7 provided to the Board, but certainly the panel, in  
8 particularly Dr. David Balsillie, is available to  
9 respond to any questions that the Board or other  
10 parties may have on that subject matter.

11 With that we would ask Dr. Balsillie to  
12 begin.

13 DR. BALSILLIE: A. Good morning. I am  
14 pleased to believe able to appear before the Board. I  
15 am hoping my presence will assist the members in their  
16 deliberations and I think that my presence is an  
17 indication of the importance of the timber management  
18 EA to the senior management of the Ministry of Natural  
19 Resources.

20 As Frank said, I am going to speak to the  
21 terms and conditions. We feel that they are  
22 responsive, practical and reasonable. Those are the  
23 latest terms and conditions submitted January 6, 1992.

24 MNR has presented evidence through  
25 numerous panels. We have listened to and heard the

1 evidence of the other parties. We feel that we  
2 negotiated in good faith and we have incorporated many  
3 of the concerns and the ideas of other parties into our  
4 terms and conditions.

5 More seriously, we have considered the  
6 cost of implementation of those terms and conditions  
7 which we put forward at that time and we feel that  
8 during the negotiation process we took an honest and a  
9 reasonable approach and we did not deal from extreme  
10 positions during this latest series of negotiations.

11 As you are aware, there have been three  
12 sets of terms and conditions developed, in 1989, 1990  
13 and most latterly in 1992.

14 MNR's terms and conditions were developed  
15 by a qualified and experienced staff representing a  
16 variety of backgrounds, not only forestry but wildlife  
17 economics, et cetera, et cetera. We feel that our  
18 terms and conditions are based on scientific evidence  
19 and that they are environmentally sound.

20 We know from our field experience that  
21 the terms and conditions we have put forward are  
22 practical and doable. They need to be implemented in a  
23 responsible and reasonable time frame and we will speak  
24 to that question. We feel that they are also fiscally  
25 responsible and we are most definitely concerned about

1 delivery for fiscal reasons.

2 My next few comments will set the stage  
3 for more detailed discussions by Frank Kennedy and  
4 David Gordon. We have, as I said earlier,  
5 conscientiously calculated the terms and conditions'  
6 cost at each step of the hearing.

7 The numbers we will put forward today  
8 represent our best estimate of the costs of those terms  
9 and conditions at this point in time and the  
10 development of those costs, all divisions of the  
11 Ministry were involved. It is a new organization with  
12 regard to policy, policy development, information  
13 involving systems and inventory, et cetera, and with  
14 regard to implementation, both corporate services and  
15 operations division have been involved.

16 I think we all have to remember that the  
17 final Ts and Cs will be legally binding on the Ministry  
18 of Natural Resources.

19 Implementation costs have increased over  
20 time. The first estimate of the 1989 terms and  
21 conditions was \$28.5-million per year. These are  
22 recurring annual costs.

23 The 1992 estimate is now \$56-million per  
24 year in 1992 dollars. Those are annual year over year  
25 costs, plus there will be substantial one time start-up



1 costs which I will refer to.

2 With regard to implementation, we feel  
3 that terms and conditions will need to be phased in  
4 over a four-year period. There are both fiscal and  
5 practical reasons for that type of time frame.

6 On the fiscal side, we are certainly in  
7 an economic recession, which everyone is well aware of.  
8 Government revenues are down. For the first time since  
9 1945 government revenues have been less than the  
10 previous year in 1991/92 and 1992/93 and we are  
11 struggling with a large deficit.

12 With regard to practical considerations,  
13 the Timber Management Planning Manual must be revised  
14 in accordance with the final terms and conditions.  
15 Staff who are currently with us need to be trained,  
16 acquisition and training of new staff will need to take  
17 place. We will need to examine the implications and  
18 the most cost effective ways to implement the final  
19 terms and conditions which will come with your final  
20 report.

21 Many of the long-term studies, some of  
22 which are already underway, simply require a build-up  
23 period over which time we collect that information.

24 Also, fiscal planning requirements within  
25 government are not always easy to deal with because we

1 have the annual budget cycle and the estimates process.

2 So, for instance, if we were to receive  
3 your report in the spring of 1993 we would have just  
4 started a new fiscal year and we will have to get into  
5 the planning cycle for the following fiscal year.

6 Finally, my final comment is around  
7 flexibility, is required for the Ministry of Natural  
8 Resources and we are interested and we would like to  
9 have what to implement rather than how to implement.

10 With those introductory comments, I would  
11 pass it over to Dave Gordon for detailed comments on  
12 the numbers which he will put before you.

13 MR. GORDON: A. Madam Chair, Mr. Martel,  
14 on behalf of MNR back in Panel 16 I presented our first  
15 cost estimates, and as you will recall, as we are  
16 showing again on page 4 of Exhibit 2313A, our original  
17 estimate was \$28.5-million based on what we have  
18 included in our terms and conditions at that time.

19 A copy of what is reproduced here on page  
20 4 is included in Exhibit 936 and the discussion that  
21 took place during our lead is found on pages 27639 to  
22 27654 and I don't have the volume number at my  
23 fingertips, but I can find that out.

24 Based on the direction of the Board, we  
25 entered into negotiations in 1990 and as we show in

1 slide No. 5 we made some additions to our terms and  
2 conditions and as included in our letter of August 3rd,  
3 1990, which is within Exhibit 1278, we added some more  
4 cost estimates to our original 28.5. As you may  
5 recall, we added an additional \$2.8-million to the  
6 \$28.5-million, as well we recognize that we are going  
7 to have some one-time costs in the order of \$400,000.

8 As we move on to slide No. 6, the hearing  
9 progressed and it is now 1992 and we had another  
10 negotiating session and MNR has made further  
11 commitments to changes and additions to its Ts and Cs,  
12 and as a result there are some real new costs in our  
13 estimates and we are trying to show that in Panel No. 4  
14 in Tables 1 and 2 and 3.

15 What are some of the major things that  
16 have taken place that have caused our estimates to go  
17 up? One reason is we simply made further commitments  
18 and I have provided two examples in that within our  
19 1992 draft terms and conditions we are committed to a  
20 native consultation process.

21 Another item, on a smaller scale, is that  
22 we are recommending to the Board the adoption of the  
23 concept of a provincial technical committee.

24 We also have revisited some of our, for  
25 example, 1989 cost estimates relative to a number of



1 items and we provided two examples. The other wildlife  
2 effects/effectiveness monitoring proposal and the  
3 wildlife population monitoring proposal.

4 If you look at page No. 4 you will see  
5 that at item No. 1.2 we estimated that the other  
6 wildlife program might cost in the order of  
7 \$1.4-million per year and on that same page, No. 4, in  
8 item No. 2 we estimated back then that the wildlife  
9 population monitoring program might cost in the order  
10 of \$300,000 per year.

11 Since that time and with the assistance  
12 of representatives of a number of the parties we have  
13 had a number of workshops where we have had, in the  
14 case of the wildlife population monitoring proposal, we  
15 have had a committee working on more clearly defining  
16 what we should be trying to do through those programs  
17 and as a result of defining those programs more clearly  
18 we have realized that they are going to cost more.

19 So that the other wildlife  
20 effects/effectiveness monitoring program, instead of  
21 initially going to cost \$1.4-million per year, our best  
22 estimate now is that it is going to cost \$2.1-million  
23 per year; an increase of almost 50 per cent.

24 As well, the wildlife population  
25 monitoring program which is directly related to the

1 other wildlife program, our original estimate has  
2 increased tenfold and that originally we estimated that  
3 it would cost \$300,000 per year. Our best estimate now  
4 is that it will cost \$3.5-million per year.

5 These hearing having gone on for a long  
6 time are our original estimate were in 1992 dollars.  
7 It is now 1992/93 and, therefore, we have had to adjust  
8 our estimates to take into account inflation.

9 We also in our original proposal which  
10 was the \$28.5-million in 1989 included some staff cost  
11 estimates and we did not include an estimate relative  
12 to employee benefits. We have corrected this by adding  
13 in \$2.5-million.

14 To try and make the portrayal of the  
15 projected costs as fair as possible we picked up on the  
16 idea that we introduced in our 1990 Ts and Cs where we  
17 did some costing and we used the concept of one-time  
18 costs.

19 Some of the items that we previously had  
20 shown as being annual costs, it's a fair portrayal to  
21 show them as one-time costs. So, for example, we had  
22 previously shown that our FRI costs would be  
23 \$3.6-million per year. We feel that a fairer way to  
24 show our potential FRI costs relative to the Ts and Cs  
25 is to show -- is to deduct that \$3.6-million per year

1 and show it as a one-time cost of \$6.1-million and as  
2 well we have made a similar adjustment for ANSIs.

3 MR. MARTEL: How do you calculate FRI  
4 costs being a one-sort deal?

5 You upgrade them significantly over time  
6 on a continuing base, how are you going to show that as  
7 a one-time shot?

8 MR. GORDON: If you go to Table No. 2 on  
9 page 27 of Reply Panel No. 4, Exhibit 2309, we have  
10 showed our best estimate of the one-time costs and if  
11 you go to item No. 2 on that list you will see FRI and  
12 the intent of this cost estimate of 6.1 million is to  
13 put additional dollars into the system to get FRI back  
14 on the 20-year cycle.

15 It is simply that, to get us back on the  
16 cycle. Once we are on the cycle, we will cover the  
17 normal costs of staying on the cycle within our normal  
18 budgeting process.

19 MR. FREIDIN: Q. Mr. Gordon, just  
20 following along from Mr. Martel's question. The  
21 present or ongoing costs of the program, such as FRI,  
22 are not included in the cost estimates which have been  
23 provided here; is that correct?

24 MR. GORDON: A. That's correct. These  
25 costs are premised on the historical funding level that



1 MNR has had over the last few years.

2 So, for example, within the historical  
3 funding level we had a capability to do some data  
4 collection, for example, some timber management  
5 planning and to bring things up to the level that we  
6 would like to because of our Ts and Cs we require these  
7 additional funds on top of our traditional dollars.

8 Finally, the last item that we are trying  
9 to advise the Board of is on page 6, is that we have  
10 added in a 10 per cent contingency allowance to our  
11 estimates in 1992 relative to the annual costs.

12 We did not have such a contingency  
13 allowance in our previous estimates. We did not allow,  
14 for example, for the costs of administering some of  
15 these programs and as well and based on my information  
16 it is normal where you are moving into programs where  
17 it is difficult to exactly forecast the costs down the  
18 road it is appropriate to include some type of  
19 contingency allowance. So we have included an  
20 allowance of 10 per cent.

21 If we move on to the last page, page 7 of  
22 Exhibit 2313A, what I have done here is, excepting for  
23 one change, simply rearranged and portrayed the same  
24 numbers that are in Reply Panel 4 on Tables 1, 2 and 3.

25 If we look at the first part of this

1 slide, Part A, what we are trying to do here is  
2 graphically portray the additional annual dollars that  
3 we require.

4 Going down the right-hand side of the  
5 column are the exact same numbers that we have in Table  
6 1 of Panel 4 and then, of course, we have a pie graph  
7 and what we are trying to show here is if you look at  
8 the pie graph, for example if you look at item No. 2,  
9 the area that's cross-hatched vertically or on the  
10 overhead is in orange, one of the major costs that we  
11 are anticipating is improved data collection.

12 The other large area that jumps out at  
13 you are additional planning costs, item No. 3, which on  
14 the screen is the red area; item No. 4, more unit  
15 monitoring; item No. 5, more long-term  
16 effects/effectiveness monitoring including wildlife  
17 population monitoring; and item No. 8, more research  
18 and development to move us to where we want to go.

19 It is our submission that based on the  
20 how the hearings are going that these large cost areas  
21 do make sense relative to the areas that have been  
22 raised as issue.

23 As well, we do have some one-time costs  
24 in the order of \$22.4-million that we portrayed on  
25 Table 2 and we have a number of items, as you can see

1 if you refer to Table 2. We believe that these  
2 one-time costs can be covered during the four-year  
3 build up period that Dr. Balsillie has referenced  
4 and/or through the sustainable forestry initiatives.

5 We also showed in our Reply Panel 4 in  
6 Table 3 some estimates of the potential cost of GIS.  
7 We have to recognize that in the long-run we do need to  
8 move into GIS and what we tried to show in Table 3 was  
9 the proportion of GIS that you might charge against  
10 timber management.

11 I would just like to point out to the  
12 Board that it is a very large number and in actual fact  
13 we have received a revised number from our information  
14 resources division from our GIS people and once, and  
15 assuming the funds flow, once we get towards full  
16 implementation of GIS, perhaps ten years down the road,  
17 instead of the \$2.5-million annual cost that could be  
18 apportioned to timber management as was shown in Table  
19 3 on page 4, we believe that a better estimate would be  
20 in the order of \$7-million per year and that recognizes  
21 that in the reference that was used at the time that we  
22 prepared Table 3 and documented it at the bottom of  
23 Table 3 there was no included costs for  
24 telecommunication costs and, as well, the maintenance  
25 of hardware and software.



1                   So that we were advised between the time  
2                   that we produced Table 3 and coming on the stand here  
3                   that we expect some additional costs relative to the  
4                   annual cost for GIS when we were at full  
5                   implementation.

6                   MADAM CHAIR: Mr. Gordon, the funding  
7                   estimates summary of \$56.3-million and the one-time  
8                   start-up costs of about \$67-million don't include the  
9                   \$7.1-million for GIS annually?

10                  MR. GORDON: I didn't catch your second  
11                  number. We have presented annual cost of 56.3. We  
12                  have one-time costs of \$22.4-million and then as well  
13                  we have got GIS costs.

14                  To be very candid, we found it difficult  
15                  on how to portray the GIS costs and so what we decided  
16                  to do was portray them separately recognizing that if  
17                  we want to get to where we want to go in natural  
18                  resource management in Ontario sooner or later we are  
19                  going to have to take on the costs of GIS.

20                  MADAM CHAIR: Excuse me, Mr. Gordon. Is  
21                  the Board to take it that we can look at these numbers  
22                  and conclude that MNR is estimating that the annual  
23                  costs would be \$63.4-million and the one-time start-up  
24                  costs could be \$67.4-million and that would incorporate  
25                  the costs of GIS?

1                   MR. GORDON: I'm sorry, Madam Chair, I am  
2 not following your math. The 67.4 --

3                   MADAM CHAIR: Mr. Gordon, all I am  
4 pointing out is that from what you said moment ago that  
5 you really see much of the work of implementing the  
6 terms and conditions to be assisted and need the GIS  
7 support that that is part of your cost estimate and  
8 there is no reason to break it out separately other  
9 than to show it is a very very significant cost figure.

10                  MR. KENNEDY: Madam Chair, in this regard  
11 we take the position that it is not necessary to have  
12 the GIS program in place in its entirety in order to  
13 carry out the terms and conditions that we have put  
14 forward.

15                  It is certainly desirable to make our job  
16 easier, it can facilitate some aspects of timber  
17 management planning and production, but we recognize  
18 that there is a substantial cost involved and that we  
19 have put forward a split in the numbers to illustrate  
20 that if funding pressures are such that we are unable  
21 to proceed with full GIS implementation as we would  
22 like to we can still live up to the terms and  
23 conditions that we have put forward.

24                  In the best of all worlds we would have  
25 the amount of funding, as you have indicated, our

1 one-time costs would be fully funded as well our annual  
2 cost would be funded in the best of all worlds.

3 MR. GORDON: That's all I have to say on  
4 the cost estimates, Madam Chair, Mr. Martel.

5 MR. FREIDIN: Q. Mr. Kennedy, I  
6 understand that you are now going to address the  
7 overheads in Exhibit 2313B along with Mr. Bisschop. So  
8 if you just want to proceed.

9 MR. KENNEDY: A. Madam Chair, I would  
10 ask you to have in front of you page 2 of Exhibit 2313B  
11 which is a time frame for implementing terms and  
12 conditions and you may wish to refer to it as I make a  
13 number of points in relation to overhead No. 1 as a  
14 part of 2313B.

15 With the funding estimates that Mr.  
16 Gordon has outlined, it is MNR's intention to go with  
17 implementing the terms and conditions over a period of  
18 time.

19 First of all, we are coming forward  
20 looking for a term of approval being nine years with a  
21 review during the eighth year. We believe that is an  
22 appropriate period of time for the Board's approval to  
23 stands.

24 This is a change, though, from our  
25 earlier proposal where we originally proposed a



1 six-year term approval. That proposal did include a  
2 review mechanism and a decision on extension of the  
3 approval in the sixth year.

4 The primary focus or reason for a  
5 six-year proposal originally was tied to the five-year  
6 timber management planning cycle. We are thinking that  
7 we could conduct the plans for the five years and  
8 during that last year conduct a review.

9 However, as the hearing has gone on and  
10 as other terms and conditions have come forward we have  
11 gone back and revisited that suggestion and looked at a  
12 number of practical factors and has caused to us make a  
13 change. So that we are now proposing a nine-year  
14 period of approval.

15 The reason for those changes can be  
16 outlined as we believe it will take one year to revise  
17 the Timber Management Planning Manual at the outset  
18 once we have received the Board's final terms and  
19 conditions. That one year to revise the manual is  
20 outlined in MNR's term and condition No. 75 which allow  
21 MNR six months to produce a draft manual and a further  
22 six months for review and revision of that document.

23 Then using that manual we allow for  
24 approximately two years to produce the first set of  
25 plans under that new direction. We are not allowing

1 for any additional time for training of our staff  
2 involved in the production of those first set of plans  
3 using the new manual and we will undertaking that as we  
4 produce the manual itself in that first time.

5 MR. MARTEL: Can I ask, do you intend to  
6 phase that in, Mr. Kennedy?

7 In other words, you are not going to  
8 start in those two years and say: Well, happy days,  
9 are here again and we are going to do all the FMAs in  
10 the province in these two years because you might be in  
11 the second year of one group and the third year of  
12 another. How are you going to do that? Where does the  
13 starting point take us?

14 MR. KENNEDY: You are correct, Mr.  
15 Martel, we do not expect to stop the world and start  
16 over planning, planning for all or approximately 100 of  
17 our timber management plans in that first year.

18 Instead, it is our intention to use the  
19 existing cycle which calls for plans to be renewed  
20 every five years, renewed planning every five years so  
21 that approximately you could say 20 plans are up for  
22 planning each year. So it is our intention to phase in  
23 those planning requirements.

24 This I have attempted to capture in page  
25 2 of Exhibit 2313B where on the left-hand side of the

1 page I have got three categories, EA matters, timber  
2 management planning matters and at the bottom, other  
3 matters.

4 In the row that's titled Timber  
5 Management Planning Matters, I show that at year one  
6 that the TMPMP or the Timber Management Planning Manual  
7 will be revised and it will take approximately two  
8 years to produce the first set of new timber management  
9 plans.

10 Here, Mr. Martel, I am referring to the  
11 first set being those plans that are up for scheduled  
12 renewal during that particular year. Those plans then,  
13 once approved, are implemented for a five-year period  
14 which would take us to the end of year eight following  
15 the final terms and conditions.

16 It is during the eighth year that MNR  
17 thinks it is appropriate for MNR to conduct a review of  
18 the approval and to seek public consultation in the  
19 process of doing that.

20 It is our intention at the end of that  
21 eighth year then to submit a document to the Ministry  
22 of the Environment for their review and we would expect  
23 that they would carry out a public review and a  
24 government review of that document leading up to  
25 recommendations regarding the extension of the



1 approval.

2 I have attempted to capture those points  
3 on page 2 of 2313B in graphical form and it may be  
4 helpful to refer to that.

5 So our current proposal for a nine-year  
6 approval period would include provisions for making the  
7 recommendations regarding the extension of the  
8 approval, address public consultation and we recognize  
9 that that extension to the approval would be carried  
10 out in accordance with whatever legislation and process  
11 happens to be in existence at that time.

12 We believe that the proposal that we have  
13 put forward addresses the practical consideration of  
14 allowing for a reasonable period of experience  
15 implementing the results of this timber EA hearing and  
16 conducting a review and learning from that experience  
17 before going forward with any further extensions to the  
18 approval.

19 Now, turning to page 3 of Exhibit 2313B  
20 and looking at our implementation schedule of the  
21 terms and conditions, we recognize that there will be a  
22 need for a phase in and/or build up of terms and  
23 conditions.

24 I believe I described to the Board  
25 earlier that our terms and conditions can be divided

1 into two broad categories; those terms and conditions  
2 that relate frequently to timber management planning  
3 and planning content requirements, which are terms and  
4 conditions 1 through 65, and the second category was  
5 terms and conditions that deal with other matters,  
6 terms and conditions 66 through 96.

7 As we look to phasing in the first  
8 category, those dealing with timber management planning  
9 and plan content requirements, they will come into  
10 force upon completion of the Timber Management Planning  
11 Manual which will then be utilized at the time of the  
12 next scheduled or unscheduled renewal of a timber  
13 management plan as we just saw in the chart, or in the  
14 event of a timber management plan amendment being put  
15 forward the provisions of the amendment process and all  
16 other planning requirements, such as the need for  
17 documentation, public consultation, all the new  
18 elements would be required to be conducted for the  
19 amendment.

20 Having these three things in mind, we  
21 essentially result in putting in place the new planning  
22 requirements as soon as possible at the next regularly  
23 scheduled planning event.

24 With regards to the second category which  
25 I have outlined on page 4 of Exhibit 2313B, those terms

1 and conditions dealing with other matters, we have had  
2 a change of thought here. Our original proposal that  
3 we put forward in terms and conditions had a three-step  
4 process.

5 The first step, what we were looking at  
6 or we had suggested that the Board issue draft terms  
7 and conditions, that MNR then review those and submit  
8 back to the Board a proposed phase in schedule and that  
9 subsequently the Board would reconvene and establish  
10 specific dates.

11 A number of concerns were identified by  
12 the parties and specifically MNR and there was concern  
13 raised around a number of practical suggestions  
14 including the thought of reconvening the Board.

15 We reconsidered that and felt that it was  
16 appropriate for us to look further in our experience  
17 and to return to you with a new style of terms and  
18 conditions and as such we put forward in our January  
19 the 6th, '92 specific proposals that are now written  
20 read in a different format.

21 There are three categories we would  
22 describe. The first category deals with those terms  
23 and conditions that will become effective upon final  
24 approval of the undertaking. In this regard I would  
25 use examples such as the annual report to be produced



1 at the provincial level and the long-term forest  
2 productivity study. Items such as those would come  
3 into force immediately.

4 Other terms and conditions that were  
5 described to you in earlier reply panels of evidence  
6 are such where we have specifically prescribed time  
7 periods for completion of those. Of course, the need  
8 to undertake them would come into force on the first  
9 day of the final terms and conditions, but we further  
10 specified the time period in which they should be  
11 completed.

12 Example of those include the timber  
13 management planning manual revision which would be  
14 conducted during the first year, revision to the  
15 silvicultural guides which we would like to see done  
16 within three years of the approval and completion of  
17 the Northern Ontario Wetlands Evaluation system, again  
18 we would be conducting within three years.

19 The third category then are terms and  
20 conditions where there is a build-up, a period of time  
21 required to reach full implementation. Programs such  
22 as the growth and yield program as described by Mr.  
23 Greenwood or the forest ecosystem classification  
24 programs described by Mr. Uhlig in earlier evidence are  
25 examples those.

1                   Again, it is our intention to start now.

2       As you know, on some of these programs we have been  
3       able to make advancements in those regards to date in  
4       the evidence you have heard and that we will need to  
5       phase in or build up those programs over the next  
6       several years.

7                   As Mr. Greenwood described last week, the  
8       very evolution of a project or evolution of the studies  
9       of this nature does require a build-up from initiating  
10      program design to setting up programs in the field,  
11      laying out plots, gathering intial measurements and  
12      moving on to subsequent monitoring and reporting. So  
13      there is a necessary build up to those types of  
14      programs in order to reach full implementation.

15                  We recognize that putting forward terms  
16      and conditions of this nature, some to take place right  
17      away, those where there are specific requirements to  
18      complete within a given time period and those that  
19      there is a build-up period, that there is going to be  
20      an obvious need to communicate the results of those  
21      initiatives to publics.

22                  During MNR Reply No. 3 I spoke to the  
23      Board and give evidence on the subject matter of  
24      progress reporting. I don't intent to go into a lot of  
25      detail, just to remind the Board, though, that in our

1 terms and conditions we have made specific commitments  
2 to report on the progress of implementation of the  
3 terms and conditions.

4 Those progress reports will include  
5 recommendations concerning whether the use of specific  
6 new technologies may require amendments to the approval  
7 of the undertaking and as such we will be able then to  
8 advise publics and parties and interested groups as to  
9 how we are proceeding with the implementation.

10 In conclusion, we think that this process  
11 and the manner in which we have approached the  
12 implementation of terms and conditions is practical and  
13 feasible. The staff that we had involved in the  
14 production of the terms and conditions believe that  
15 they can be implemented in the manner that they are  
16 written.

17 We think they are suitable, that they  
18 match the type of program that we have to put in place  
19 and that they indicate responsible management. We also  
20 recognize that the manner in which we have crafted our  
21 current terms and conditions avoids a requirement to  
22 reconvene the Board after rendering its decision and we  
23 see that as a desirable item.

24 However, we also recognize that during  
25 that period of approval, nine years, there may be



1 situations that arise that would require amendments to  
2 the approval and we have included two overheads,  
3 overhead No. 6 and 7, as part of Exhibit 2313B and I  
4 thought I could briefly describe the amendment  
5 procedure that MNR has put forward.

6 Where terms and conditions have come  
7 forward with a proposal to deal with amendments to the  
8 approval -- and I should outline at the beginning or  
9 indicate at the beginning that these proposals are  
10 supported by the Illing Report and as such I don't  
11 intend to spend a lot of time on them.

12 The terms and conditions for reference  
13 that deal with the description of the amendment  
14 procedure -- sorry, of the amendment process is  
15 described in MNR terms and conditions 94(a) and the  
16 procedure is referenced in term and condition 94(b) and  
17 further described in Appendix 24.

18 In terms of when is it appropriate to  
19 seek an amendment to the approval, we think that it may  
20 be that amendments may be required enable to  
21 clarification or improvement of the timber management  
22 planning process or plan content during that nine-year  
23 period or that through our experience it may be  
24 necessary to come back and seek clarification or  
25 improvement of the many monitoring provisions that we

1 have put forward.

2 Other situations we have contemplated and  
3 covered off in terms and conditions is the need to have  
4 extension of the approval to include new technologies  
5 and I believe, Madam Chair, that was discussed both in  
6 the progress reporting and in association with a number  
7 of the aspects of evidence that came forward dealing  
8 with continuing developments and scientific research  
9 and developments where we talked about the progress  
10 reporting coming forward and making recommendation in  
11 that regard.

12 The amendment procedure discussed on page  
13 7 here is outlined in Appendix 24 of our terms and  
14 conditions. We think it is pretty basic and covers a  
15 standard approach which is that requests coming forward  
16 would provide the rationale for the request and  
17 additional or supporting documentation including a  
18 summary of public consultation will be conducted by MNR  
19 on such an endeavor.

20 The request would be submitted to the  
21 Ministry of the Environment, specifically the EA  
22 Branch, who would then conduct a review and submit the  
23 results of that review to the MOE minister.

24 The MOE would then determine if the  
25 requested amendment is reasonable and provides

1 opportunities for government and public review and, of  
2 course, then the MOE minister may approve the requested  
3 amendment, reject the amendment or refer the amendment  
4 to the Environmental Assessment Board.

5 We believe that the amendment process put  
6 forward, amendments to the approval for the undertaking  
7 is reasonable. It is a reasonable way for the  
8 proponent to go about seeking amendments, that the  
9 intent of the EA Act is in tact in that we have allowed  
10 for public opportunities to comment on any necessary  
11 amendment proposals and we think that it is another key  
12 factor, that the provision would not likely estimate  
13 timely introduction of proven new technology and indeed  
14 we have a way that we can keep abreast of changing  
15 science if they become necessary or practical to  
16 implement on a regular basis.

17 Mr. Martel, in preparing the last  
18 overheads dealing with the amendments to the approval  
19 of the undertaking it caused me to reflect on some of  
20 the discussion we had last week during Reply Panel 5  
21 where you made a number of comments regarding the  
22 challenges before us all of trying not to make a  
23 mistake, I believe was the phrase you used, and trying  
24 to ensure that the parties have come forward with  
25 properly crafted terms and conditions and, indeed, the



1 challenge the Board faces in weighing the various  
2 evidence that's come before you.

3 I thought it might be helpful for the  
4 Board if I were to take a moment and review some of the  
5 material that I have put forward to you in slides 8 and  
6 9 of Exhibit 2313B which is a very quick discussion of  
7 the manner and structure and format of MNR's terms and  
8 conditions in our January the 6th package. I think  
9 this maybe helpful to you in understanding the manner  
10 in which MNR has approach its terms and conditions  
11 package.

12 First of all, I would like to say that we  
13 have regarded the opportunity that was provided to  
14 submit draft terms and conditions as a very helpful and  
15 productive one. I think doing that as early as  
16 possible in the hearing process has contributed  
17 positively to focusing the efforts.

18 It certainly has caused the parties to  
19 key in on the key aspects of their case and to come to  
20 grips with specifically what it is that they are asking  
21 the Board to include in their final decision.

22 In doing that, when we have approached  
23 the writing of terms and conditions we have always  
24 recognized that they will be legally binding in the  
25 final decision and as such we keep in mind that it is

1 important to be able to demonstrate during  
2 implemenation that indeed we are in compliance with  
3 those terms and conditions. We have been mindful of  
4 those two facts when we have crafted the wording of our  
5 terms and conditions.

6 In fact, I can say that that has led us  
7 to include some certain proposals and to exclude others  
8 and it certainly has affected the style of wording in  
9 our terms and conditions.

10 As I indicated earlier in terms of our  
11 phase in, there are two basic types or two basic  
12 subject matters dealt with in our terms and conditions  
13 and there are some similarities in the manner in which  
14 we have crafted the wording.

15 In the first category, the timber  
16 management planning process and planning contents,  
17 those numbered terms and conditions 1 through 65, we  
18 have worded those as very specific commitments. We  
19 have worded them in a manner that we can be held  
20 accountable, that we believe we can easily determine if  
21 in fact we are in compliance with those terms and  
22 conditions.

23 I would also make the point, Mr. Martel,  
24 that it is these matters that we believe that there is  
25 some certainty about, that MNR can come forward to you

1 with a specific proposal and say to you, we believe  
2 that if we were to have this term and condition imposed  
3 on us we can implement it, first of all, and we can be  
4 measured against it in terms of progress or compliance.

5 In crafting it we have used such language  
6 as MNR shall do the following or must do the following  
7 or, as I have indicated on page 9 here, that MNR must  
8 do "x", "y" and "z".

9 However, when confronted with other  
10 matters such as those that take on the form of  
11 continuing developments or perhaps where there is still  
12 some uncertainty we have taken a different tact.

13 We, first of all, recorded most of those  
14 items under other aspects and as such it is covered off  
15 under terms and conditions 66 to 96.

16 Most of the wording in there you will see  
17 takes on more the form of enabling. You will also see  
18 upon review that they contain a high level of  
19 flexibility for us to contact those programs. That  
20 flexibility has been the subject matter of some  
21 discussion and cross-examination during our reply panel  
22 and so it should be in that there is a degree of  
23 uncertainty out there in science.

24 What we are saying, though, is that we  
25 believe there is sufficient certainty to come forward



1 and comment to you that MNR is willing to and able to  
2 embrace those new ideas and to look forward to  
3 conducting research or conducting developments or  
4 further study on those subject matters as they relate  
5 to timber management planning.

6 We believe in doing that that it is an  
7 appropriate way to address the evolving issues and  
8 subject matters.

9 In crafting those terms and conditions we  
10 have often used language such as within "x" number of  
11 years we shall undertake a study or that during the  
12 period of approval we will design and implement a  
13 study, a program or an approach or that we will  
14 continue to develop in an area that was just starting  
15 off or that we shall further investigate.

16 It is these matters, Mr. Martel and Madam  
17 Chair, that we feel there is a degree of uncertainty.  
18 We feel that it would be irresponsible for us to come  
19 forward to you and specifically say: Yes, we have the  
20 answers; yes, we believe that these programs should be  
21 conducted in the following manner, this way and that  
22 way.

23 Instead we are saying to you that, yes,  
24 these matters, these subject matters are worthy of  
25 further investigation, that a degree of flexibility is

1 required and that is inappropriate for us to come  
2 forward with specifics in that there is flexibility is  
3 needed.

4 I hope by reviewing that that helps you  
5 in understanding the way in which we have structured  
6 and crafted wording in our term and condition and it  
7 may assist you in answering some of the difficult  
8 questions that you posed last week with regard to the  
9 challenges before you in writing your final decision.

10 MR. FREIDIN: Q. If we could then move  
11 on, Madam Chair, to Mr. Bisschop who will indicate that  
12 the time --

13 MADAM CHAIR: Do you want to take our  
14 morning break now, Mr. Freidin?

15 MR. FREIDIN: Sure.

16 MADAM CHAIR: We will take a 15-minute  
17 break.

18 ---On recessing at 10:40 a.m.

19 ---On resuming at 10:55 a.m.

20 MR. FREIDIN: Madam Chair, just as a  
21 matter of procedure, I was speaking to the Board  
22 liaison officer again and the completeness of the  
23 package of Board interrogatories and I just wanted to  
24 go on the record and confirm that all of the responses  
25 which have been provided to the Board, be it from the

1 Ontario Professionals Foresters Association, the OFIA  
2 or the Ministry of Natural Resources, if they hadn't  
3 been given exhibit numbers it is just an administrative  
4 error and they will be given exhibit numbers and form  
5 part of the record.

6 Let the record show that the Chairman is  
7 indicating in the affirmative.

8 Q. Mr. Bisschop, we considered the null  
9 alternative in relation to your evidence and we decided  
10 that it wasn't appropriate. So I understand you have a  
11 short bit of evidence.

12 MR. BISSCHOP: A. Yes. Madam Chair, Mr.  
13 Martel, during the course of the hearing there have  
14 been a number of matters which have been discussed and  
15 debated in relation to requirements of the  
16 Environmental Assessment Act.

17 Some are properly characterized as legal  
18 and we leave that to the subject of legal argument, but  
19 there are also matters which from my perspective as an  
20 environmental planner for a proponent and from MNR's  
21 perspective as a proponent that our practical  
22 interpretation matters are of fundamental importance.

23 It is not my intent to review all of the  
24 evidence that we presented in Section 3 of our witness  
25 statement, but rather to highlight a couple of points



1 which MNR feels are particularly important with respect  
2 to the subject matter of this hearing and in particular  
3 this undertaking of timber management.

4 They are summarized on page 10, 11 and 12  
5 of Exhibit 2313B. The first being what we have  
6 captured through the heading of changing land use  
7 through timber management, particularly through the  
8 timber management planning process, is inappropriate.

9 MNR seeks approval for an undertaking  
10 which we have called timber management which is the  
11 inter-related activities of access, harvest, renewal  
12 and maintenance on Crown lands in the area of the  
13 undertaking on which timber management is a permitted  
14 use, as has been determined through higher levels of  
15 planning, MNR's land use planning system, to meet the  
16 broad provincial objective of producing a continuous  
17 and predictable supply of wood for the Ontario Forest  
18 Products Industry.

19 Leaving aside for the moment, and I am  
20 going to come back to it, the whole matter of whether  
21 or not the planning process, in this case the timber  
22 management planning process, is also part of the  
23 undertaking, I think it is fair to say that all parties  
24 to this hearing agree that MNR's definition of the  
25 undertaking is at least part of what the Board is going

1 to be making a decision about in this hearing.

2 No one has said that the undertaking is  
3 only the planning process. However, MNR has concerns  
4 that some of the planning proposals of some parties  
5 would permit decisions at a forest management unit,  
6 decisions can be made that for all of the forest  
7 management unit or part of the forest management unit  
8 no timber management may be a decision that's made,  
9 that timber management cannot occur.

10 The reasons for our concern are  
11 threefold. We believe that given an approval for the  
12 undertaking by the Board it would be inconsistent  
13 through a planning process to provide for the process  
14 to conclude that timber management is not approved in a  
15 particular forest management unit.

16 It would be inconsistent to say at the  
17 next level that one can decide that you are not going  
18 to carry out timber management, that we would already  
19 have approval for timber management on those Crown  
20 lands in which it is a permitted use.

21 Although no one has said that the  
22 planning process is only the undertaking, any provision  
23 of that kind of opportunity within the planning process  
24 would effectively mean that as the end result of this  
25 hearing the only thing we would have approval for would

1 be the planning process, which in my mind raises all  
2 kinds of questions about why would MNR then have  
3 pursued a Class EA for this undertaking, why would this  
4 hearing have occurred, why wouldn't individual  
5 environmental assessments be the way to go for  
6 individual plans for individual forest management  
7 units.

8 Perhaps most importantly from the  
9 perspective of MNR as the proponent is that it would  
10 frustrate our ability to meet what we have defined as  
11 the purpose of the undertaking which is a broad  
12 provincial objective to produce a continuous and  
13 predictable supply of wood.

14 I say that because if the opportunity is  
15 there to make decisions that timber management will not  
16 occur in all or part of the forest management unit,  
17 effectively what is happening is that there would be  
18 continuous changes to the land base, reductions in the  
19 land base which, in turn, would mean that we would have  
20 less land to try to meet our purpose and to the point  
21 where we may not have the land area available to meet  
22 that broad provincial objective.

23 Now, there are specific proposals of some  
24 of the other parties which have caused us to have this  
25 concern. You will recall that in the evidence of the



1 OFAH they have requirements related to consideration of  
2 alternative resource production possibilities and  
3 requirements to essentially put forward activities that  
4 provide for the optimum mix of benefits for all  
5 resourcess.

6 We take the position that inclusion of  
7 those kinds of requirements in the planning process  
8 would, in effect, result in changes in land use at the  
9 forest management unit level.

10 Also, other parties have suggested  
11 requirements to consider the null alternative within  
12 the timber management planning process and suggestions  
13 have been put forward about considering null for roads,  
14 considering null when it comes to harvest operations.

15 Using the example of roads, Forests for  
16 Tomorrow have expressed the need for a requirement to  
17 consider the null alternative in road planning which I  
18 in previous evidence in Panel 5 had characterized as  
19 basically really raising the question of yes/no for  
20 timber management, not just yes/no for roads because we  
21 contend that any road that is put forward in a timber  
22 management plann is put forward for the broader purpose  
23 of timber management, not just for the reasons -- not  
24 just to have a road.

25 Again, although we would already have

1 approval for the undertaking, the requirement to  
2 consider null would raise questions about timber  
3 management being a permitted use on the forest  
4 management unit. You will be required to address the  
5 question of yes or no for timber management planning  
6 again through the timber management planning process.

7 On the subject of optional harvest areas,  
8 although it has not been expressed as the intent in  
9 MOE's proposal, we see that the provision of that  
10 opportunity will certainly be interpreted by some as  
11 the opportunity to reopen matters of land use;  
12 operation ought not to occur in one area over another  
13 and the way to get at that question is to look at  
14 optional harvest areas.

15 The end result of that is that we contend  
16 that all of those kinds of provisions are provisions  
17 which address land use planning matters not timber  
18 management planning matters and open up the whole  
19 question of land use decision.

20 We contend that the Board will be making  
21 a decision on approval of timber management on those  
22 Crown lands where timber management is a permitted use,  
23 as has been previously determined. To reopen those  
24 questions again with the timber management planning  
25 process, we say it is inconsistent with the approval

1       that we would be receiving.

2                   The second fundamental matter that we  
3       would like to address is from the perspective of me and  
4       from others in MNR as environmental planners and MNR as  
5       the proponent the whole matter of whether or not the  
6       planning process is, in fact, part of the undertaking  
7       and we contend from an environmental planning  
8       perspective it ought not be considered as part of the  
9       undertaking.

10                   Basically we take the position that  
11       undertakings under the act refers to the carrying out  
12       of activities, physical facilities that would be  
13       constructed or activities that will be carried out in  
14       the physical environment and that in environmental  
15       assessment we address the whole matter of the  
16       environmental effects of those activities and come to  
17       decisions about what kinds of activities we are going  
18       to carry out and in what manner.

19                   The planning decision-making related to  
20       those activities we contend is not an undertaking. It  
21       is the activities themselves was, the product of that  
22       planning decision-making is the undertaking.

23                   We think the distinction between  
24       activities and the planning process for those  
25       activities is fundamentally important.



1                   We believe that in all other Class EAs  
2                   that distinction has been recognized as well in that  
3                   the approvals that have been granted for undertakings  
4                   within other Class EAs have recognized that the  
5                   undertakings are approved and the planning requirements  
6                   are most commonly addressed as conditions of approval  
7                   for those classes of undertakings.

8                   From a practical perspective for purposes  
9                   of the Board's decision making on planning processes as  
10                  part of the undertaking or not, we would say if the  
11                  planning process is part of the undertaking we would  
12                  say that that limits the ability of the Board and other  
13                  parties to influence a proponent's proposed planning  
14                  process.

15                  I believe that the legal jurisprudence,  
16                  and the lawyers will speak to this in argument, is that  
17                  the Board cannot make changes to an undertaking that's  
18                  put forward by a proponent for approval.

19                  Basically, the Board is required to look  
20                  at that undertaking and make a decision on approval,  
21                  denial or approval with conditions and if the plan  
22                  process were part of the undertaking we think there  
23                  would be limitationd on the ability of the Board or to  
24                  any decision maker to influence what the nature of that  
25                  planning process is.

1                   Rather, if the planning process is  
2       considered as not part of the undertaking, there is  
3       greater flexibility for the decision maker, in this  
4       case the Board, and other parties to the hearing in  
5       this case to influence what the nature of that planning  
6       process will be by proposing variations on the planning  
7       process that the proponent is putting forward, to  
8       suggest other dimensions of the planning process.

9                   Ultimately the planning process  
10      requirements will get embodied into legally binding  
11      terms and conditions of approval and the enforceability  
12      of those terms and conditions then is very clear. The  
13      planning requirements will be set out in terms and  
14      conditions and MNR will be obliged to live up to the  
15      requirements of those planning process terms and  
16      conditions.

17                  As an aside on this, from my personal  
18      perspective as an environmental planner, if one were to  
19      consider the planning process as part of the  
20      undertaking one would have to live up to Section 5.3  
21      requirements of the act and one would have to look at  
22      alternative planning processes, one would have to look  
23      at the environmental effects of those alternative  
24      planning processes, however you would try address that  
25      kind of question, one would have to look at prevention,

1 minimization, mitigation measures, those sorts of  
2 things, which we think from a practical, logical point  
3 of view is a kind of difficult question to come to  
4 grips with.

5           The end result is that we believe that  
6 the Board's power to influence the contents of the  
7 planning process is in no way adversely affected by our  
8 reasoning that the way to handle that is through terms  
9 and conditions of approval for the undertaking.

10           As I indicated in my introduction, we  
11 wanted to address some of the EA Act interpretation  
12 questions from the perspective of an environmental  
13 planner, from the perspective of a proponent and I  
14 thought as a closing slide to this discussion that it  
15 would be useful to quickly capsulize how MNR has  
16 approached the requirements of Section 5.3 of the  
17 Environmental Assessment Act for the undertaking of  
18 timber management.

19           I would say that timber management is an  
20 undertaking probably unlike any other that has probably  
21 been before the Ministry of the Environment or the  
22 Board for a decision in that we are really dealing with  
23 a broad provincial program to address a broad  
24 provincial objective; a provision of a continuous and  
25 predictable supply of wood from the Crown land area of



1 the province to supply industry.

2 What I would like to do through this  
3 discussion is basically highlight two things which are  
4 major matters of the discussion that have come up  
5 during the course of the hearing.

6 First of all, where we have considered  
7 the subject of null in this environmental assessment  
8 and where we feel it is appropriate to consider it; and  
9 secondly, how we address the subject of how we make  
10 decisions on the methods that we are going to use to  
11 carry out activities at the forest management unit  
12 level.

13 In the Class EA itself we have, and this  
14 hearing, we have identified those methods and we have  
15 presented evidence on the environmental effects of  
16 those methods and we have said that the planning  
17 process would then be the vehicle by which we end up  
18 making decisions about which methods we are going to  
19 use in a particular situation.

20 So in sort of -- hopefully as best I have  
21 been able to, I have tried in a logical laymanish tried  
22 to explain how we have dealt practically with meeting  
23 the requirements of Section 5.3 of the act.

24 This is the last page, page 12, of  
25 Exhibit 2313B.

1                   First of all, we have stated the purpose  
2                   to be achieved and we are all familiar with the matter  
3                   of what MNR has said is the purpose of the undertaking  
4                   and there has been considerable discussion of that  
5                   before the Board. The purpose to produce a continuous  
6                   and predictable supply of wood for Ontario Forest  
7                   Products Industry.

8                   We have identified and addressed  
9                   alternative ways to achieve that purpose and to do that  
10                  we have looked at the undertaking which we call timber  
11                  management and alternatives to the undertaking which we  
12                  presented in our evidence in Panel 17.

13                  We have evaluated the advantages and  
14                  disadvantages of the undertaking and the alternatives  
15                  to and we have analysed the consequences of doing  
16                  nothing, the null alternative. All of that information  
17                  was presented in MNR's original Panel 17.

18                  Through that analysis we have selected  
19                  the undertaking which we call timber management and  
20                  that is the undertaking for which we seek approval.

21                  I have indicated by dotted line that the  
22                  subject of alternative methods then which follows is  
23                  something that we have addressed, first of all, in the  
24                  environmental assessment itself by identifying and  
25                  evaluating the alternative methods of carrying out that

1       selected undertaking, the undertaking is timber  
2       management. We then look at the alternative methods of  
3       carrying out that undertaking.

4               In Panels 10 to 13 of MNR's evidence we  
5       have presented information on all of the alternative  
6       methods that we employ, their effects, what we do in  
7       terms of measures to prevent, minimize and mitigate  
8       those effects and the roll of all of the implementation  
9       manuals in terms of providing direction on that.

10              The end result is that the approval that  
11       we would gain would be the approval for the undertaking  
12       of timber management and all of the alternative methods  
13       of carrying out that undertaking with the understanding  
14       that the actual selection of the methods that we will  
15       employ will be determined in the future for every  
16       timber management plan through the timber management  
17       planning process.

18              In our evidence in Panel 15 we have  
19       discussed that planning process and over the course of  
20       the last few weeks, in particular last week's evidence  
21       on Panel 5, we have described how we see that planning  
22       process as embodying the principles of good  
23       environmental planning.

24              We will make decisions in timber  
25       management plans from amongst the approved alternative



1 methods that have been the result of the Board's  
2 decision.

3 That ends the presentation that I am  
4 going to give, and unless there are other questions we  
5 would continue the discussion of evidence of this panel  
6 through Dr. Balsillie who will further elaborate upon  
7 those matters that MNR sees as not part of the timber  
8 management undertaking, but which MNR has recognized  
9 and is addressing in other forums and Dr. Balsillie  
10 will provide further explanation of how we are dealing  
11 with those matters.

12 DR. BALSILLIE: A. Thank you, Al.

13 As indicated, I am going to address the  
14 many issues being addressed in other forums in Exhibit  
15 2313C.

16 This whole process of the timber  
17 management environmental assessment, as you are well  
18 aware, has taken a considerable amount of time. The  
19 hearing has consumed the last few years of that, but  
20 this whole process has been in place since starting  
21 back in 1980 through to 1992 which leaves a  
22 considerable amount of time for change to occur.

23 Indeed we feel there have been societal  
24 changes in terms of social values, increased  
25 environmental awareness, there have been new

1 international issues which have impinged upon such as  
2 international trade issues, such as softwood lumber or  
3 the possible European boycott of exported wood from  
4 North America, things like global warming and ozone  
5 layer depletion.

6 I believe we have seen both from the  
7 public and private sector changes in attitude and  
8 approaches, especially to environmental matters.

9 During this time the government changed  
10 twice; once in 1985 and once in 1990. In addition, MNR  
11 has undertaken a reorganization. In 1988 we reviewed  
12 the organization and also our strategic directions.

13 In 1990, MNR announced its new  
14 organizational framework and in June of this year the  
15 new organizational structure was put into place and we  
16 are now filling out that particular structure.

17 As was indicated earlier, the  
18 organizational information as presented in the witness  
19 statement will be all that is addressed at this time.  
20 If there are questions, I would be very happy to answer  
21 them.

22 In 1991 we had a new strategic directions  
23 document, Direction 90s, which was the result of the  
24 strategic review and one of our statements in there is  
25 that sustainable development is the cornerstone of

1 MNR's new direction.

2 Just to remind you of the goal of the  
3 Ministry under Direction 90s, is to contribute to the  
4 environmental, social and economic well-being of  
5 Ontario through the sustainable development of natural  
6 resources.

7 The Board is faced with a series of  
8 policy initiatives by the Ministry of Natural Resources  
9 and, indeed, in some cases the government which may  
10 seem sometimes to be overwhelming. It seems in some  
11 cases overwhelming to us as well.

12 However, there are a large number of  
13 things which are under way and I have put together two  
14 pages, page 2 and 3 of the exhibit, which are simply a  
15 listing of those policy initiatives which we feel are  
16 important for the timber management EA and we need to  
17 consider the timber management EA in the context of a  
18 number of these, not the least of which is sustainable  
19 forestry, the comprehensive forestry policy framework,  
20 the independent audit, community forestry, private  
21 woodlands, silviculture, economic projects and old  
22 growth.

23 There has been put in place a forest  
24 industry action group which is a tri-partied group led  
25 by a new Assistant Deputy Minister for government,



1 industry and labour to look at way of assisting the  
2 forest products industry during economic times.

3 Some of the other initiatives include  
4 revised strategic plan for Ontario fisheries known as  
5 SPOF 2, a wildlife strategy for Ontario, a provincial  
6 water policy which is under consideration at this time,  
7 endangered spaces and the natural heritage strategy,  
8 the statement of political relationship between the  
9 First Nations and the government of Ontario, review of  
10 our own planning system for land use and resources,  
11 biodiversity and a new wetlands policy which was just  
12 passed recently which comes under Section 3 of the  
13 Planning Act.

14 What I am going to try and do for the  
15 members of the Board is through the next diagram put it  
16 into context, put all of these items into context with  
17 the timber management EA and vice versa.

18 In the overheads, we have a series of  
19 overheads which start with the first one putting timber  
20 management into context with these other initiatives,  
21 and if we look at the next overhead we see that on the  
22 page timber management EA is by itself at the outset  
23 and you have heard a lot of evidence and you have heard  
24 of the environmental consequences of timber management,  
25 but the successful planning -- or the successful

1 passing and approval of that timber management  
2 environmental assessment will lead to timber management  
3 planning on lands where timber management is a  
4 permitted use and we will get on with the on-the-ground  
5 delivery of access, harvest, renewal and maintenance.

6 We feel that this is an extremely  
7 important part of that, that we are able to get on with  
8 the process that we have discussed here this morning.

9 There are a number then of very broad  
10 based - can I have the next one, John, please - very  
11 broad based government-wide initiatives such as the  
12 statement of political relationship, such as  
13 biodiversity, such as land use planning which impinge  
14 on all of the activities which are being undertaken by  
15 anyone in MNR or in some cases other ministries. These  
16 are government-wide activities such as economic renewal  
17 or the industrial strategy, et cetera, but they are  
18 important, over-arching policies.

19 MNR then has also moved ahead under  
20 Direction 90s, as I indicated earlier, to develop a  
21 series of framework policies such as SPOF 2, wildlife  
22 strategy, water strategy, natural heritage strategy,  
23 comprehensive forest policy framework and the planning  
24 system review.

25 All of those framework policies will be

1 influenced by the statement of political relationship,  
2 biodiversity, land use planning, et cetera, as will the  
3 timber management EA.

4 All of those framework policies will  
5 provide guidance and direction to the actual work of  
6 resource management and the boxes of fisheries,  
7 wildlife, park and natural heritage, forests, et  
8 cetera, et cetera, are all placed into one box  
9 indicating that those activities are to be integrated  
10 together; one with each other in terms of resource  
11 management.

12 Finally, if we look at the last slide  
13 then we see that the sustainable forestry component is  
14 one which can feed into forest resource management and  
15 can feed into timber management in terms of the outcome  
16 of a number of these activities will be important for  
17 the ongoing management of timber in this province.

18 I think it is important also that the  
19 arrows go in both directions from timber management EA  
20 and from sustainable forestry and from resource  
21 management up to the framework policy because as we  
22 gain experience in various things, such as timber  
23 management, there will a feedback mechanism which will  
24 allow us to alter and change our policies as is  
25 required.



1                   We also have examples of more specific  
2 policy initiatives such as endangered spaces and  
3 wetlands policies which are also impinging directly  
4 upon these types of activities, but what we see as  
5 being important with regard to timber management is  
6 that we have an approval for the undertaking, that we  
7 have a set of approved terms and conditions which can  
8 work within all of these frameworks and provide  
9 information back to them as we gain experience.

10                  The other thing which is important is the  
11 time frame, is that if we have a result from this  
12 timber management EA early next year, then we can get  
13 on with timber management according to that approval in  
14 1994.

15                  You will see in a few moments as I cover  
16 a few of the selected policies, which was pointed out  
17 in Mr. Beram's letter to us that you would have  
18 interest in specific ones of these policies, that the  
19 time frame is much later than that for most of them,  
20 that we are looking at '94 and '95 and possibly beyond  
21 and Frank Kennedy has referred to some of that in terms  
22 of the build-up period required for some of the longer  
23 term activities.

24                  So hopefully that diagram helps to place  
25 timber management and this process which we are in

1       today into context with a larger number of activities  
2       which are being taken on in other forums around MNR and  
3       around the government.

4                   MADAM CHAIR:   Excuse me, Dr. Balsillie.

5                   Mr. Freidin, could you remind the Board  
6       where we have heard about the forest industry action  
7       group before? Do we have something on that in our  
8       record?

9                   MR. FREIDIN:   I think it might be  
10       referenced in the Panel 4 witness statement, but other  
11       than that I can't recall. Maybe somebody on the panel  
12       can identify that if it is there.

13                  MR. CASSIDY:   Madam Chair, you might be  
14       interested to know that the -- without giving evidence,  
15       you might be interested to know that the chair of the  
16       forest industry action group is Mr. John Valley who led  
17       a tour for the Board at the Fort Frances Boise Mill in  
18       his prior capacity as a Vice-President of Boise Cascade  
19       Canada.

20                  MR. FREIDIN:   The reference, Madam Chair,  
21       to the industry action group is found on page 34 of the  
22       witness statement.

23                  MADAM CHAIR:   Just a question of  
24       clarification for the Board. This group has been  
25       formed and its work has begun.

1                   Maybe you could just tell us when this  
2 happened and when you say tri-partied you are talking  
3 about the Ministry and the forest products industry and  
4 various interest groups?

5                   DR. BALSILLIE: The idea for a forest  
6 industry action group was presented by a number of  
7 ministers to both the forest products industry and  
8 labour representatives in November of 1991 and at that  
9 time they agreed to form a tri-partied process in order  
10 to address some of the difficulties that the forest  
11 products industry found themselves in at this present  
12 time with regard to the economic situation.

13                   Subsequently, Mr. John Valley, as Mr.  
14 Cassidy has pointed out, was appointed as Assistant  
15 Deputy Minister within the Ministry of Natural  
16 Resources in order to head-up that process.

17                   I can't be sure of the exact timing, but  
18 I think it was some time around February of 1992 when  
19 he was actually appointed, but is it is some time in  
20 there.

21                   He has subsequently formed a group of  
22 government, industry and labour representatives to come  
23 up with options and alternative to assist the forest  
24 products industry and he is also looking at ways that  
25 the government can assist by expediting situations



1 where it would be helpful in terms of moving things  
2 through the government process in order to help the  
3 forest products industry achieve certain goals in terms  
4 of putting new process into place or cogeneration or  
5 other joint activities, where then labour would also  
6 benefit because jobs would be saved in certain  
7 communities in northern Ontario.

8 MR. MARTEL: Do you know the names of the  
9 members of the committee?

10 DR. BALSILLIE: No, I don't. There are  
11 several members and those could be obtained and  
12 provided.

13 MR. FREIDIN: Do you wish that  
14 information?

15 MR. MARTEL: No, that's fine.

16 DR. BALSILLIE: As I said, I have  
17 selected some of these various policies or strategies.  
18 Just to give you a quick update as to where we are with  
19 them, if there are others which you also wish me to  
20 address, then I have the capacity to do that.

21 The first one is the wildlife strategy  
22 and there was a wildlife working group formed in July  
23 of 1989 asking them to start with a clean slate and  
24 with wide public consultation to prepare a wildlife  
25 strategy which will reorient and revitalize the

1 provincial wildlife program as we look into the 21st  
2 century. So that was their charge at that point in  
3 time.

4 So there was a very large public  
5 consultation process with the working group having a  
6 number of workshops and meetings and a wide variety of  
7 representation from government, aboriginal  
8 organizations, non-government organizations, academics,  
9 industry, et cetera, until September of 1990.

10 This report Looking Ahead for wildlife  
11 strategy for Ontario was then submitted to the minister  
12 in May of 1991. It identified a purpose -- sorry, a  
13 proposed goal, objectives and guiding concepts and 62  
14 specific strategies. The focus was on the diversity of  
15 healthy ecosystems and associated wildlife habitat and  
16 populations.

17 So between July then of 1991 and June of  
18 this year the Ministry distributed approximately 19,000  
19 copies and asked for feedback and we carried out  
20 extensive public consultation.

21 Right now a team of representatives from  
22 government agencies, non-government organizations and  
23 an aboriginal organization has been assembled to  
24 prepare a draft action plan and this will be submitted  
25 to our minister by the end of this year.

1                   If we look at endangered spaces and  
2           natural heritage strategy, the Cabinet instructed MNR  
3           to begin a process to complete the system of provincial  
4           parks and natural heritage areas by the year 2000.  
5           This is in keeping with the World Wildlife Fund's  
6           challenge of finding representative areas within site  
7           regions and site districts and to complete that process  
8           by the year 2000.

9                   The process was developed with input from  
10          other government ministries and other aboriginal  
11          organizations and this year the minister Budd Wildman  
12          made a formal announcement of the government's  
13          commitment to the endangered spaces program and within  
14          the Ministry and with aboriginal representatives we  
15          have formed a technical working group within the  
16          Ministry and four regional work teams to look at the  
17          implementation of this process.

18                   We have set ourselves a target of new  
19          areas to be protected in at least five of the  
20          province's 65 site districts or natural regions by 1993  
21          in keeping with our provincial park centennial.

22                   In addition to that, a long-term  
23          provincial parks and natural heritage area strategy has  
24          been drafted for discussion and we are about to embark  
25          on a consultation process for the natural heritage



1 strategy.

2 MR. MARTEL: I think this is the type of  
3 concern I have personally have had because as we  
4 allocate -- let me back up.

5 There is a whole series of groups who  
6 have asked for a chunk of the land base. Industry has  
7 been concerned that as you take more out of the land  
8 base there is less for them to get their supply of  
9 fiber from.

10 I am not sure yet, and you have showed us  
11 the diagram, but while the province is making  
12 allocations that we are not aware of, how does that tie  
13 in then with the determination we will make as a Board?

14 In other words, we say this and this and  
15 this are going to be the conditions and how much -- if  
16 we look at space, some parties have asked us to look at  
17 that, including the parties you just mentioned, how  
18 does that tie in with what the government is going to  
19 do, on the other hand, since we are deciding terms and  
20 conditions which will utilize a fair amount of space  
21 and the government at the same time is determining  
22 policies which could eat up more space and what could  
23 be the consequences of not working the two things  
24 together?

25 That has been my concern as I heard the

1 pronouncement of government as we have along in the  
2 last couple of years. How does this affect what we are  
3 doing?

4 DR. BALSILLIE: I think that has been  
5 part of the crux of the discussion here this morning,  
6 that what we are looking at is that the timber  
7 management EA will provide approval for and the terms  
8 and conditions under which timber management will be  
9 carried out on lands allocated to timber management.

10 Now, if as a result of the natural  
11 heritage strategy or the filling out of the park system  
12 or as a result of possibly another policy, such as old  
13 growth, there are further limitations, then what that  
14 does is it limits the amount of land base available,  
15 but the remaining land base still has to have timber  
16 management on it and the process to which timber  
17 management is carried out would be that as directed by  
18 the timber management Class EA.

19 If we can move to the statement of  
20 political relationship which was signed on August the  
21 6th of 1991 which recognizes the First Nations of this  
22 province as distinct nations with other governments,  
23 cultures, languages, traditions, customs and  
24 territories, it recognizes the First Nations  
25 constitutional and treaty rights and their inherent

1 right to self-government.

2 It was signed by the Premier and by the  
3 minister responsible for the Native Affairs  
4 Secretariat, Mr. Wildman, who also happens to be the  
5 Minister of Natural Resources. It was also signed by  
6 14 native chiefs.

7 Subsequent to that signing, it has been  
8 recognized that access to lands and resources is a  
9 necessity in order to achieve self-government because  
10 without an economic base and without a land base they  
11 will not achieve economic self-sufficiency.

12 Therefore, all discussions and  
13 negotiations with First Nations are now carried out on  
14 a government-to-government basis and that's the essence  
15 of the statement of political relationship.

16 The next issue is the review by MNR of  
17 its planning system and there are four key areas or  
18 themes which we are reviewing in the land use and  
19 resource planning process. Those four areas are  
20 decision making, fairness, ecosystem integrity and the  
21 integration of planning.

22 First of all, we want to clarify the  
23 planning decision roles and responsibilities at the  
24 provincial level, at the regional level and at local  
25 level.



1                   We also want to provide for the evolution  
2 of functioning self-government by native peels. So as  
3 the native peoples obtain self-government, then our  
4 process should be able to accomodate that in an  
5 evolutionary fashion.

6                   In terms of fairness, we believe that  
7 fairness and equity in terms of how planning decisions  
8 are made and changed needs to be renewed.

9                   We want to put in place some conflict  
10 resolution techniques which will assist. We want to  
11 put into place an appeal mechanism and an amendment  
12 process so that planning decisions are kept up to date  
13 while maintaining the stability of the planning  
14 process.

15                  Hopefully by implementing or instituting  
16 a new amendment process we won't be looking at another  
17 major planning review ten years from now which says  
18 that we have been stagnant for 10 years -- or we have  
19 been static for 10 years, not stagnant but static, and  
20 therefore we have to go back and do a major review.  
21 We would rather do an update as we move along.

22                  Under ecosystem integrity, ecological  
23 principles and approaches should be incorporated into  
24 the planning processes to provide for biodiversity,  
25 conservation and sustainable social and economic

1 benefits. I think those words speak for themselves.

2 We want to ensure that we have an  
3 integration of planning because we have a number of  
4 different planning processes, both in land use and in  
5 resource management, so that land use planning, forest  
6 planning and wildlife management planning, fisheries  
7 management planning, et cetera, need to be integrated  
8 in a meaningful fashion so that they represent an  
9 integrated planning process.

10 It needs to be more workable, it needs to  
11 be user friendly and it needs to be above all  
12 affordable.

13 We have a draft framework paper which has  
14 been out for informal review. There have been 25  
15 informal meetings with affected parties with their  
16 initial feedback. Following that feedback we will  
17 start with the full consultation on this program in  
18 late 1992.

19 The next item to be looked at is  
20 biodiversity conservation and MNR started a process to  
21 look at biodiversity and biodiversity conservation and  
22 we found that it was necessary to broaden our view  
23 because this had impact on the activities of a large  
24 number of ministries across government.

25 Therefore, we needed to develop a unified

1 policy framework for biodiversity conservation so that  
2 various government initiatives and programs could be  
3 integrated and on the context diagram, that's why  
4 biodiversity was one of the long boxes on the  
5 right-hand side as opposed to being an MNR driven  
6 exercise.

7 We are looking to fulfill commitments  
8 contained in the U.N. convention and we have set up an  
9 interministerial committee of MNR, Ministry of the  
10 Environment, Ministry of Agriculture and Food and  
11 Ministry of Municipal Affairs.

12 The U.N. convention contains a definition  
13 of biodiversity conservation which is the variability  
14 and variety among living organisms from all sources,  
15 including terrestrial, marine and other aquatic  
16 ecosystems and the ecological complex of which they are  
17 a part.

18 MNR along with our counterparts at MOE  
19 and others are reviewing the federal government's role  
20 in this along with the other provinces and looking at  
21 how we will fit in with the biodiversity convention  
22 internationally adopted at the Earth Summit in Rio.

23 We will then be considering approaches on  
24 how to develop that strategy through public  
25 consultation.



1                   The next two or three or four slides,  
2           starting with No. 10 in your packet, relate to  
3           sustainable forestry. You have heard a lot about that  
4           in the past little while, but sustainable forestry is  
5           forest management that ensures long-term health of  
6           forest ecosystems and which contributes to global and  
7           environmental benefits while providing an array of  
8           social, cultural and economical opportunities now and  
9           in the future.

10                   I think the next point is extremely  
11           important in that it involves managing the forest for  
12           many diverse values such as wildlife, fisheries,  
13           tourism and outdoor recreation, as well as for timber.

14                   It addresses a number of public concerns  
15           which we have heard and demands about how the forest is  
16           managed including three points; the recognition that  
17           forests are a critical element of the environment that  
18           must be maintained for future generations, the need to  
19           maintain the economic role of the forest particularly  
20           in the north, and the public's demand for involvement  
21           of many more groups and individuals in the management  
22           of Ontario's forests.

23                   With regard to old growth forests, we are  
24           setting out to develop a conservation strategy for old  
25           growth ecosystems. A policy advisory committee of 10

1 members was announced in January 1992. A scientific  
2 advisory committee of 10 members has been formed to  
3 provide scientific information and advice.

4 The committee will examine biological,  
5 social, cultural and economic values and those values  
6 include biodiversity, scientific research, wildlife  
7 habitat, natural heritage areas, wilderness, tourism  
8 and education. They will present a draft interim  
9 strategy for red and white pine ecosystems by the end  
10 of this year.

11 The final recommendations on the old  
12 growth strategy are to be completed by early 1994.

13 With regard to community forests, as one  
14 of the goals points out, at the outset sustainable  
15 forestry is looking to involve more people at the local  
16 level. So community forests are investigating ways of  
17 allowing that to happen including the increase in their  
18 involvement in the management of their local forests.

19 Four pilot projects have been chosen from  
20 22 applications. So forests near the Town of  
21 Geraldton, forests in what's known as the six seventy  
22 area economic diversification committee in Kapuskasing  
23 and that means there are six municipality along a  
24 70-kilometre stretch of Highway 11. So they call it  
25 the six seventy committee.

1                   The forests on the Wikwemikong First  
2 Nation on Manitoulin Island is one of the candidate  
3 sites and the forests near Elk Lake is the forth.

4                   Those were announced by the minister in  
5 March 1992 following an extensive review of the 22  
6 applications not only by MNR staff, but by a committee  
7 of independent folks.

8                   The communities which were announced, the  
9 four communities, are now developing their detailed  
10 project plans with public consultation in their own  
11 area.

12                   MNR is also going to look at other ways  
13 of involving the community as a result of other  
14 partnerships which are already in place through our  
15 agreement forest, through the existing Algonquin Forest  
16 Authority and through the forest management agreements.

17                   So information from the four pilot  
18 projects and the existing three sets of partnerships  
19 will then be reviewed to provide a basis for public  
20 discussions and eventual development of a long-term  
21 strategy for community forestry and community  
22 involvement in forestry in the year 1995.

23                   The last item under sustainable forestry  
24 which I will address is the timber production policy  
25 and that has to do with determining the possible levels



1 of future wood supply that the government couldn't make  
2 available to the wood products industry in the future.

3 It will ultimately replace the forest  
4 production policy of 1972 and it is being done in two  
5 phases.

6 First of all, we need to develop all the  
7 background information necessary for the development  
8 and quantification of the range of production options,  
9 look at a set of draft preliminary regional timber  
10 supply analyses and computerized data bases of all  
11 timber management plan forecasts and base regional wood  
12 supply data, those have been developed.

13 We have given out a contract for an  
14 econometric study of Ontario's forest products industry  
15 and long-term global market trends for wood products.

16 In 1993 we will proceed with a series of  
17 timber production options through a public consultation  
18 process and those will be completed -- the project will  
19 be completed in 1995.

20 So, once again, we are seeing that most  
21 of those projects are going to proceed over 1992, '93,  
22 '94 and '95 before they come to fruition.

23 If we look at slide No. 14, the question  
24 is then why other issues and how are we managing them.  
25 Through the EA process, MNR is looking at timber

1 management of access, harvest, renewal and maintenance  
2 and parties have raised other issues which are related  
3 to forest management, planning, wildlife, et cetera.

4 At the latest negotiation session this  
5 year staff were directed to find ways of managing  
6 legitimate concerns, hopefully to reduce the length of  
7 this hearing and the argument time and having all the  
8 major players at the table to place those other issues  
9 on the table and the ways of the Ministry handling them  
10 in other forums.

11 There is a commitment from MNR to manage  
12 these issues in other forums and, indeed, in February  
13 of this year the minister met with all the parties to  
14 this hearing with regard to the role of the sustainable  
15 forestry program in managing a number of those issues.

16 The final slide then is, as I have  
17 reiterated before, the importance of the timber EA is  
18 that we need in this province to get on with timber  
19 management, we need the on-the-ground delivery of the  
20 components. We are in the midst of a very dynamic  
21 process and it is changing all of the time.

22 As Frank Kennedy indicated, MNR's  
23 proposed timber management process is designed to  
24 accommodate or fit within the results of the other  
25 initiatives. We have a number of enabling Ts and Cs

1       which would allow us to either change with the new  
2       policies or plug them into the timber management  
3       process.

4                       As I have said earlier, experience with  
5       on-the-ground timber management activities will also  
6       provide feedback for the development of these other  
7       initiatives which are being carried out in other  
8       forums. Thank you.

9                       MR. FREIDIN: Madam Chair, this might be  
10      an appropriate time to break for lunch. If that's  
11      amenable, I would suggest we come back at 1:30.

12                      That, by the way, subject to perhaps a  
13      few minor matters the end of our evidence-in-chief. So  
14      cross-examination will start upon resuming at 1:30.

15                      MADAM CHAIR: We will break for lunch.

16                      Mr. Lindgren, how long will you be in  
17      cross-examination?

18                      MR. LINDGREN: Approximately one to  
19      hours, Madam Chair.

20                      MADAM CHAIR: Mr. Cassidy?

21                      MR. CASSIDY: Half an hour or less.

22                      MADAM CHAIR: Ms. Gillespie?

23                      MS. GILLESPIE: I believe we will be five  
24      minutes.

25                      MADAM CHAIR: Well, it looks like we



1 might finish today. We will be back at 1:30.

2 ---Luncheon recess at 11:55 a.m.

3 ---On resuming at 1:45 p.m.

4 MR. FREIDIN: Madam Chair, just before  
5 Mr. Cassidy begins his cross-examination, Dr. Balsillie  
6 has two brief matters that he wants to deal with  
7 arising out of the evidence he gave this morning.

8 DR. BALSILLIE: Thank you. No. 1 was  
9 that I believe I indicated that the minister met this  
10 year with parties to the hearing with regard to  
11 sustainable forestry. In fact, it was February of last  
12 year, 1991, that he met with the parties prior to the  
13 release of that material.

14 The second item was that I believe I  
15 indicated that land use planning, biodiversity and the  
16 statement of political relationship which were the big  
17 boxes on the right of my diagram would influence the  
18 strategic policies and strategies.

19 I also indicated that it would affect the  
20 timber management EA and what I really wanted to say  
21 was that it would affect the implementation of the  
22 timber management terms and conditions as we go work  
23 through and the implementation of that program.

24 Thank you very much.

25 MR. FREIDIN: That's the case in-chief

1 for Panel 4.

2 MADAM CHAIR: Mr. Lindgren, are you read  
3 to go begin -- oh, excuse me. Mr. Cassidy, you are  
4 going to cross-examine these witness. Please go ahead.

5 MR. CASSIDY: Thank you.

6 CROSS-EXAMINATION BY MR. CASSIDY:

7 Q. Dr. Balsillie, your Exhibit 2313C,  
8 your overheads, in the discussion in there, I guess it  
9 is on page 10, dealing with sustainable forestry there  
10 is a reference to sustainable forestry addressing a  
11 number of public concerns including, and I take it but  
12 not limited to, the public's demand for the involvement  
13 of many more groups and individuals in the management  
14 of Ontario's forest.

15 Then if we flip back to page 8 we see  
16 that you are doing a planning system review to clarify  
17 the planning decision roles and responsibilities  
18 involving three levels of planning, provincial,  
19 regional and local.

20 When I saw those I was very interested  
21 this morning because I went back and looked at your  
22 terms and conditions dated January 6, 1992 and I looked  
23 at my clients and my clients have provided for three  
24 levels of public involvement in the form of advisory  
25 committees, those three levels you referred to in your

1 planning evidence.

2           You, however, you being the Ministry,  
3 have only provided for one level of advisory committee,  
4 that's the local citizens' committee, and I am curious  
5 to know why the Ministry when faced with, as you  
6 describe it in your sustainable forestry initiative,  
7 the public's demand for involvement and when faced with  
8 your three different levels why you have not embraced  
9 the need to have committees of citizens at the  
10 provincial policy level and the regional level and only  
11 have them in the local level.

12           Can you explain the absence of those two  
13 senior level committees from your terms and conditions?

14           DR. BALSILLIE: A. As we have indicated,  
15 there is a large component with regard to the local  
16 level.

17           With regard to the provincial level, we  
18 have embraced the concept of a provincial technical  
19 committee to assist us in revising the implementation  
20 manuals, et cetera.

21           The proposal, as I understand it, from  
22 the OFIA with regard to a provincial policy committee  
23 would be a minister's advisory committee and it is felt  
24 that this is within the prerogative of the ministry to  
25 develop a minister's advisory committee to give him



1 advice on forestry matters at a provincial level rather  
2 than having a committee which was mandated by the  
3 timber management environmental assessment.

4 We have postponed the regional decision  
5 until we have our new regional organization in place  
6 and we see how in fact the area management, district  
7 management, regional management activities flow and  
8 that if there is a need determine at that time, then we  
9 would revisit the need for a regional advisory  
10 committee.

11 Q. So with respect to the provincial  
12 policy committee, if I understand you, and correct me  
13 if I am wrong, the minister is basically saying:  
14 That's my prerogative to have such a committee, I don't  
15 want this Board ordering me to do that?

16 A. I'm not aware of anyone having  
17 approached the minister per se and asking him whether  
18 or not he wished to have a provincial advisory  
19 committee or not.

20 What I am indicating is that the minister  
21 would be the person who would indicate that he wished  
22 to have a provincial advisory committee on forestry  
23 matters.

24 Q. Would the minister oppose then a term  
25 and condition provided by this Board that there be a

1 provincial policy committee to give effect to citizen  
2 input at that level in addition to what the Ministry  
3 agrees what is needed at the local level?

4 Would you oppose that term and condition?

5 A. I think we have two questions. One  
6 is, would the minister oppose it, and then would we  
7 oppose it.

8 I can't comment because, as I said, I am  
9 not aware that we have approached the minister with the  
10 proposal with regard to the addition of a provincial  
11 advisory committee. Therefore, I can't comment on  
12 whether he would oppose it or not.

13 All I am saying is that it is within the  
14 purview of the minister to choose to have advisory  
15 committees and to have them appointed through  
16 orders-in-council.

17 Q. All right. Let me try it this way.  
18 Would the Ministry oppose such a term and condition?

19 A. I'm sorry, could you repeat that last  
20 question again.

21 Q. Would the Ministry oppose such a term  
22 and condition?

23 A. I guess the way we would say it is  
24 that we would not support it.

25 Q. Mr. Gordon, the \$56-million figure

1 that you talked to us about this morning, I am  
2 interested in knowing what would happen if that money  
3 were not allocated to the Ministry.

4 What would fall off the table, so to  
5 speak, of things that the Ministry could not do if they  
6 did not get that amount of funding?

7 MR. GORDON: A. Well, first of all,  
8 those are cost estimates for proposals that were put in  
9 front of the Board.

10 Assuming the Board ordered the proposals  
11 that we feel add up to \$56.3-million annually, then we  
12 would be obligated in some fashion to the best of our  
13 ability to deliver those Ts and Cs.

14 Q. So if you have that obligation and  
15 you had limited funding; in other words, the Ministry  
16 did not give you -- or the treasury did not give you an  
17 extra \$56-million, what would you tradeoff?

18 MR. KENNEDY: A. Mr. Cassidy, I think in  
19 direct answer to you is that there are a number of  
20 terms and conditions that we believe would require us  
21 to implement immediately, and that was that category  
22 that I was referring to this morning that is also  
23 directly related to timber management planning dealing  
24 with such things as public consultation, data  
25 collection, the planning process itself and the



1 production of the plan. Those items are ones which we  
2 would give the highest priority to.

3 If we were forced with reduced funding,  
4 we would continue to look within the MNR program  
5 overall and look at what the priorities of the day are  
6 and it is possible that it would cause us to look at  
7 the terms and conditions and the manner in which we  
8 would have to comply with them.

9 It would cause us to perhaps direct less  
10 funding to some of those terms and conditions that are  
11 in the section that I referred to as continuing  
12 developments.

13 Therefore, when you see such wordings as  
14 MNR shall investigate a particular study or shall  
15 continue to develop or shall move in a particular  
16 direction, our movement on those matters would be much  
17 slower. It would be dependent upon the amount of  
18 funding available relative to the overall program we  
19 are confronted with and the priorities of the day.

20 Q. Mr. Gordon, I want to come back to  
21 you. I have looked at your Exhibit 2313A and  
22 specifically the seventh page of that package and when  
23 you look at that whole page, I am trying to determine  
24 if any of this additional expenditure - and I think  
25 Madam Chair added up the total of A and C - if any of

1       this additional expenditure would involve any actual  
2       additional silvicultural expenditures?

3                       By that I mean, is any of this extra  
4       money going to result in more planting or more site  
5       preparation of actual on-the-ground activities that you  
6       are going to get for this extra amount of money?

7                       MR. GORDON:   A.   There are no dollar  
8       estimates included within those numbers that pertain to  
9       actual field delivery of silvicultural work.

10                      Q.   Mr. Kennedy, we were talking about  
11       amendments and the application of the new planning  
12       regime that I guess you are not -- that you are saying  
13       will be put into place as a result of this approval of  
14       the four activities of access, harvest and renewal and  
15       maintenance.

16                      I am not sure I am clear on whether or  
17       not that would apply to all types of amendments.  Is it  
18       administrative, is it minor, is it major, is it all  
19       type of amendments that would come up that would be  
20       immediately affected by the new planning regime?

21                      MR. KENNEDY:   A.   Yes, Mr. Cassidy, I  
22       believe it would take effect on all three types of  
23       amendments.

24                      In this case we are talking about  
25       amendments to the timber management plans, not to be

1 confused with the other subject matter which I spoke to  
2 which is amendments to the approval for the  
3 undertaking.

4 Q. Right.

5 MR. CASSIDY: Those are my questions,  
6 Madam Chair. Thank you.

7 MADAM CHAIR: Thank you, Mr. Cassidy.

8 Mr. Lindgren?

9 MR. LINDGREN: Thank you, Madam Chair.

10 CROSS-EXAMINATION BY MR. LINDGREN:

11 Q. Mr. Bisschop, as an environmental  
12 planner, are you aware of any approved Class EA in this  
13 province which has an approval period which exceeds  
14 five years in length?

15 MR. BISSCHOP: A. I am not aware of any  
16 approval of a class of undertakings via a Class EA that  
17 has more than five years, no.

18 Q. Can I turn to your analysis of EA  
19 requirements and your discussion of the nature of the  
20 undertaking. Let's start by referring to Exhibit 2311  
21 which are the MNR answers to the FFT interrogatories.

22 Now, turning to question No. 1, Mr.  
23 Bisschop, FFT asked if it was the position of the MNR  
24 that the planning process is not the undertaking, and  
25 the answer is: Yes, namely that the planning process



1 is not the undertaking, and then in B we asked you what  
2 the undertaking is in the Ministry's view and on the  
3 next page you tell us that it is the four activities.

4 Then again this morning as you went  
5 through your overheads you told us that planning and  
6 decision making is not an undertaking.

7 So in light of that evidence I am going  
8 to ask you, first of all, have you read the Board's  
9 ruling on the nature of the undertaking, and this is  
10 the ruling that was dated January 17th, 1990?

11 A. It has been some time ago that I read  
12 the entire ruling, but yes, I have read the ruling and  
13 I am very familiar with the position in that Board's  
14 ruling.

15 Q. Let me put a particular passage to  
16 you and I will ask you for a comment. The Board has  
17 written:

18 "By insisting that its undertaking  
19 relates only to the four activities of  
20 access, harvest, renewal and maintenance  
21 and does not include the timber  
22 management planning process,  
23 notwithstanding 20 months of evidence to  
24 the contrary, the MNR has, in the Board's  
25 view, not only distorted the de factor

1 situation, but has inadvertently or  
2 otherwise obfuscated what is already an  
3 area of confusing statutory  
4 interpretations.

5 "The Board after carefully considering  
6 the submissions made by all the parties  
7 on this issue has concluded that, on the  
8 basis of the specific facts outlined in  
9 both the documentary and oral evidence  
10 presented in the hearing to date the  
11 undertaking before the Board should  
12 properly be defined or characterized as a  
13 timber management proposal, plan or  
14 program in respect of the activities of  
15 access, harvest, renewal and maintenance  
16 and hereby makes a find to that effect."

17 Now, Mr. Bisschop, I interpret that as  
18 the Board ruling that the undertaking includes or is  
19 the planning process. Are you disagreeing with the  
20 Board on that point?

21 A. I don't have after copy of the ruling  
22 in front of me, but recalling the passage and listening  
23 to the very last statement in the package -- in that  
24 paragraph, sorry, I would say that it still remains  
25 unclear from that last sentence that the Board has

1 taken the position that planning is actually part of  
2 the undertaking.

3 Q. Now, Mr. Bisschop, if I were to  
4 suggest to you that the undertaking is the planning  
5 process in respect of access, harvest, renewal and  
6 maintenance, would you disagree that assessment?

7 A. Yes, I would disagree.

8 Q. Is there any reason why the MNR has  
9 not sought clarification of the Board's ruling on this  
10 point?

11 MR. FREIDIN: Madam Chair, my friend is  
12 asking and putting questions as to what the legal  
13 effect is of that Board's order.

14 It is the position of the Ministry of  
15 Natural Resources that there is nothing in law  
16 preventing this Board from reconsidering that decision,  
17 particularly having regard to the further amount of  
18 evidence and without limiting the generality of that  
19 comment, particularly the evidence of an environmental  
20 planner which it just heard today and which it didn't  
21 have at the time it gave that order.

22 The position of the Ministry has been  
23 properly put by Mr. Bisschop. Whether in fact the  
24 Board -- what the interpretation of that Board ruling  
25 is, as to whether in fact it is clear on its face as to



1 whether planning is or is not a part of the undertaking  
2 and whether it should reconsider its decision,  
3 regardless of what the answer to that question is, is a  
4 matter which I feel will be dealt with in oral argument  
5 and that's where it belongs, not in questioning of this  
6 witness.

7 MR. LINDGREN: Well, Madam Chair, the  
8 issue of the nature of the undertaking and the issue as  
9 to whether or not it includes planning was a matter  
10 that was squarely put forward by Mr. Bisschop and I am  
11 certainly entitled to ask for any clarification as to  
12 that position.

13 ---Discussion off the record

14 MADAM CHAIR: You are free to question  
15 Mr. Bisschop on his views, but we are not going to  
16 listen to argument and we are not going to go over  
17 ground now that we are going to have to come back and  
18 hear in a month. So we will cut you off if we think  
19 you are getting beyond that.

20 MR. LINDGREN: Please do, Madam Chair.

21 Q. Mr. Bisschop, when the Ministry  
22 defined the nature of the undertaking for the purposes  
23 of answering FFT interrogatory No. 1, I take it you  
24 didn't factor in the planning process because you  
25 disagree with the apparent ruling of the Board on that

1 issue?

2 MR. BISSCHOP: A. Mr. Lindgren, I would  
3 suggest that there has been considerable thought given  
4 to the whole subject of what is an undertaking when it  
5 comes to the concept of class environmental  
6 assessments. This hearing in particular has raised a  
7 number of questions about that.

8 During the course of the last year in  
9 particular MNR has given a lot of consideration to what  
10 exactly is the undertaking when we are dealing with a  
11 class. In fact, what is a class of undertakings.

12 There have been considerable discussions  
13 recently between MNR and MOE, in fact involving all  
14 government ministries, on the matter of how well is the  
15 concept of class of undertakings dealt with in the  
16 legislation and I think there is general agreement not  
17 only amongst the ministries, but also amongst learned  
18 intervenors, learned external participants in  
19 environmental assessment that the concept of class of  
20 undertakings is not very well defined.

21 In fact, with respect to timber  
22 management in particular, timber management is a class  
23 of undertakings which I described this morning that is  
24 probably very unlike any other class of undertakings  
25 that has ever been considered under the legislation in

1 the past.

2 Most classes of undertakings that have  
3 been considered to date have been for similar -- what I  
4 would characterize as similar but unrelated kinds of  
5 projects.

6 In the case of timber management, we are  
7 dealing with a class of undertakings which personally I  
8 probably would now call a program of undertakings that  
9 is a set of similar and dissimilar activities which are  
10 all inter-related and are all geared towards the  
11 achievement of a common purpose.

12 In the case of the unrelated projects,  
13 the other kinds of class of undertakings, you are  
14 dealing with unrelated projects which would be  
15 implemented for most class of undertakings across the  
16 province in different places at different times and  
17 each of them will be considered basically as a separate  
18 project.

19 In the case of timber management, we are  
20 dealing with a very inter-related set of activities  
21 that is all directed towards achieving one purpose  
22 which is a provincial objective of producing a  
23 continuous and predictable supply of wood.

24 So in that sense I guess what I would say  
25 is there has been a lot of evolution in the thinking on



1 class of undertakings since the ruling, but I think on  
2 one matter there is no debate and that is that a  
3 proponent -- when a proponent seeks approval for an  
4 undertaking under the act, whether it is an individual  
5 undertaking, whether it is a class of similar unrelated  
6 undertakings, whether it is a program of inter-related  
7 activities that comprise an undertaking a proponent  
8 seeks approval for that undertaking. The proponent  
9 does not seek approval for a planning process. We seek  
10 approval for the undertaking.

11 Q. Well, you have come to the very point  
12 I want to put to you, Mr. Bisschop. I take it that you  
13 have read other approved Class EAs that are in effect  
14 across this province?

15 A. I don't think in terms of approved  
16 Class EAs. I think in terms of approved undertakings.

17 I have read several Class EAs. I am  
18 familiar with several Class EAs. There are difference,  
19 there are legitimate reasons why there are differences,  
20 in particular this concept that I have tried to explain  
21 of Class EAs that deal with unrelated project versus  
22 Class EAs like timber management which deal with a  
23 program of inter-related activities.

24 Q. Well, I will revisit that issue in a  
25 moment, but if you are familiar with Class EAs, then

1 are you in a position to agree with me that Class EAs  
2 to date in this province have been used to set out a  
3 common planning procedure for classes of undertakings  
4 which are small in scale, they recur frequently and  
5 have generally predictable and minor environmental  
6 impacts?

7 Is that a correct assessment of the Class  
8 EA experience to date in this province?

9 A. That's a correct way to characterize  
10 most other Class EAs in the province, yes.

11 Q. Thank you. And you indicated this  
12 morning in your view undertaking was a word that was  
13 used to denote physical activities as opposed to  
14 planning procedures.

15 As an environmental planner, can you  
16 confirm for me that under the Environmental Assessment  
17 Act the definition of the word undertaking makes it  
18 very clear that undertakings can be not only physical  
19 activities, but also plans or programs or proposals in  
20 respect of certain activities; is that correct?

21 A. The act very clearly uses those  
22 words. I think there have been considerable questions  
23 about what those words mean.

24 Q. Well, I am going to put it to you  
25 very squarely. As an environmental planner, Mr.

1 Bisschop, is it not true that the word undertaking  
2 under the EA Act includes both physical activities,  
3 plans, programs and proposals in respect of activities  
4 or enterprises?

5 A. I repeat my answer. The act  
6 certainly uses those words. I think it still remains  
7 questionable what those words mean.

8 Q. Well, let's move on to your  
9 discussion of the null alternative and to begin I would  
10 like to clarify a few things that you said.

11 Let's do that by referring to FFT  
12 interrogatory No. 2(a). There we asked:

13 "Is it the position of the MNR that the  
14 null alternative will never be considered  
15 at the project level?"

16 We see some introductory comments at the  
17 bottom of page 3, but at the top of page 4 of the  
18 interrogatory package the MNR indicates that:

19 "Consideration of the null alternative  
20 will only occur once and that's at the  
21 Class EA level... namely, in this  
22 hearing,

23 "...and not at the project level."

24 Have I fairly stated the position of the  
25 MNR on that issue?



1                   A. Yes, I would add to that that I think  
2 we have said in the answer that for the undertaking of  
3 timber management that analysis would occur at that  
4 level. For this undertaking.

5                   Q. So the MNR's position is regardless  
6 of the project, be it access, harvest, renewal or  
7 maintenance, the null alternative does not have to be  
8 analysed at the project level under your proposal?

9                   A. That's correct, and I think I made  
10 the comment this morning that to do so would be  
11 illogical and inconsistent with the approval that would  
12 have been granted as a result of the decision of the  
13 Board.

14                  Q. Well, it is inconsistent only if you  
15 don't consider the planning process to be part of the  
16 undertaking; is that not correct?

17                  A. No, I don't agree that's correct.  
18 Even if the planning process were part of the  
19 undertaking, I would still take the position that part  
20 of the requirement -- a requirement of the planning  
21 process to consider null would be inappropriate.

22                  Q. Well, at page 10 of your overheads,  
23 which is Exhibit 2313B, you outline the MNR's concern  
24 about the null alternative and one of the reasons you  
25 are concerned about it is that it would effectively

1 mean that only a planning process has been approved as  
2 a result of the EA hearing.

3 So I am going to suggest to you there is  
4 nothing wrong with consideration of the null at the  
5 unit or local level if, in fact, the undertaking is in  
6 fact the planning process?

7 A. First of all, I would treat our  
8 reasons for concern as a package in the sense that we  
9 are concerned for the package of those reasons, not  
10 just any one of them.

11 Q. Well let's move on to the question of  
12 need and, again, in interrogatory 2(c), if I can  
13 summarize it, you have said that the question of need  
14 for timber management only occurs at the Class EA  
15 level; namely during this hearing, and not at the  
16 project level; is that correct?

17 A. In the formal sense of looking at  
18 need which we have characterized as being something you  
19 would address when you are looking at the subject of  
20 purpose, correct.

21 We have elaborated further in the  
22 response and said that in the less formal sense we do  
23 address the idea, the concept of need, for example, in  
24 our condition that requires that the reasons for a road  
25 be documented.

1                   We have also elaborated on how we discuss  
2           the idea of need when we are dealing with the level of  
3           harvest activity and the level of renewal and  
4           maintenance activities.

5                   Q. Well, let's deal with that point.  
6           Now, you have attached to interrogatory No. 2 an EA  
7           Branch document which deals with the issue of need and  
8           under the heading Recommendations we see that the  
9           purpose of this amendment is to make it clear that the  
10          need for an undertaking is not under the EA Act one in  
11          the same as the rationale for an undertaking.

12                   Stopping right there. Do you agree with  
13          the EA Branch's view that need is not synonymous with  
14          rationale?

15                   A. Absolutely. It has concerned me for  
16          some time the way people have interpreted the word  
17          rationale in environmental assessments because, in my  
18          view, people often equate the words rationale and  
19          purpose and I think this correction addresses my  
20          concern, yes.

21                   Q. Well, let me be very clear about  
22          this. If, for example, you say that the rationale for  
23          a new road has to be documented, is that the same as  
24          considering need in your view?

25                   A. Mr. Lindgren, I am very careful about



1 using the word rationale. To me the word rationale in  
2 environmental assessment terms is addressed in an  
3 environmental assessment to be the statement that the  
4 undertaking is the best means of achieving the stated  
5 purpose.

6 So I would not -- in fact, in our terms  
7 and conditions I believe we have expressly avoided  
8 using the word rationale to avoid that kind of  
9 confusion.

10 In the statement you put to me, I would  
11 use the word reasons, not rationale, and I think then  
12 you avoid the problem of the relationship or the  
13 misconnection people have made between those terms, two  
14 terms, purpose and rationale.

15 Q. Well, let me use the word reasons and  
16 repeat the question. When you say that the reasons for  
17 a new road have to be documented, is that the same as  
18 considering need for the road in your view?

19 A. Essentially, yes. I get concerned  
20 about the formalities that some might attach to the  
21 terms, but essentially yes.

22 Q. I realize that you don't have the  
23 Class EA for access roads to MNR facilities in front of  
24 you - and, Madam Chair, that has been marked as Exhibit  
25 886 - I will provide it to you if you want to take a

1 look at it, Mr. Bisschop, but can you confirm for me  
2 that both need and the null alternative are required at  
3 the project level under this Class EA?

4 A. Correct, and the reason for that is  
5 because of the nature of the undertaking that's  
6 addressed in that Class EA.

7 We are dealing with the class of  
8 undertakings being similar, but unrelated projects that  
9 will be carried out in different places across the  
10 province at different times. In each case the project  
11 will be for a specific purpose.

12 It is logical that you would consider  
13 what is the specific purpose for that project in  
14 district "x" and it is logical that you would document  
15 that, that you would look at the subject of  
16 alternatives to and that you would make your decision  
17 through that kind of analysis. It is perfectly  
18 logical.

19 To extend that as a requirement for all  
20 kinds of classes of undertaking I think is  
21 inappropriate.

22 Q. Well, let's look at two other Class  
23 EAs where in fact that is required. I have provided to  
24 you excerpts from the Class EA for municipal sewage and  
25 water projects and an excerpt from the Class EA for

1 municipal road projects. Have you had a chance to look  
2 at those excerpts?

3 A. Yes, I have.

4 MR. LINDGREN: Madam Chair, I would like  
5 to submit both of those as the next exhibit. I would  
6 submit that they can be marked as A and B.

7 What's the exhibit number, Madam Chair?

8 MADAM CHAIR: Exhibit 2314A will be the  
9 excerpts from the Class EA for municipal road projects  
10 and Exhibit 2314B will be the Class EA excerpts from  
11 the municipal sewage and water projects.

12 MR. LINDGREN: Thank you, Madam Chair.

13 ---EXHIBIT NO. 2314A: Excerpts from the Class EA for  
14 municipal road projects.

15 ---EXHIBIT NO. 2314B: Excerpts from the Class EA  
16 for municipal sewage and water  
projects.

17 MR. LINDGREN: Q. Now, in light of the  
18 time constraints, Mr. Bisschop, I am not going to take  
19 you in any detail through these documents, but turning  
20 first to the Class EA for the municipal sewage and  
21 water projects, and that has been marked as Exhibit  
22 2314B, can you simply confirm for me that the  
23 do-nothing alternative is required for such  
24 undertakings as new water projects, new sewer projects  
25 and storm water management projects?



1                   MR. BISSCHOP: A. Yes, the do-nothing  
2 alternative is required.

3                   I would make the point that in all cases  
4 it is required in the planning of a project as a  
5 consideration of alternatives to the undertaking.

6                   Q. Can I refer you to page 22 of the  
7 sewer and water Class EA, and at the bottom of page 22  
8 we see that:

9                   "The do-nothing alternative may be  
10 implemented at any time during the design  
11 process prior to the commencement of  
12 construction. A decision to do nothing  
13 would typically be made when the cost of  
14 all other alternatives, both financial  
15 and environmental, significantly outweigh  
16 the benefits."

17                  Mr. Bisschop, I take it that you would  
18 agree that that's when the do-nothing alternative might  
19 be selected by the decision maker?

20                  A. For that undertaking, yes.

21                  Q. Then turning very quickly to the  
22 municipal road Class EA, again can you confirm for me  
23 that the do-nothing alternative is required for such  
24 diverse projects as new roads, road widenings, new  
25 interchanges, water crossings or service facilities?

1                   A. Yes and, again, I would add the  
2 comment, although it is not quite as clearly set out in  
3 this excerpt, that it is considered at the level of  
4 addressing alternatives to the undertaking.

5                   Q. Now, you keep making the point that  
6 in your view it is appropriate to consider the null in  
7 these Class EAs because of the nature of the projects  
8 or the classes of the projects caught by the Class EA.  
9 I want to explore that with you for a moment.

10                  First of all, I take it that we can agree  
11 with the general principle that municipal roads,  
12 municipal infrastructure, those kinds of things are not  
13 planned and constructed merely for the sake of building  
14 infrastructure or building roads, they are in fact  
15 inter-related to other programs and projects and  
16 proposals, is that not the case?

17                  A. I would presume so, but each project  
18 would be looked at individually in terms of those kinds  
19 of inter-relationships.

20                  My point is that a municipal road project  
21 in downtown Toronto is not related to a municipal road  
22 project in the Town of Hearst.

23                  Q. The point I am simply trying to make  
24 is this, Mr. Bisschop, looking at the sewer and water  
25 Class EA, I take it that you can agree with me that

1 those kinds of projects wherever they occur in the  
2 landscape are in fact inter-related to other forms of  
3 development like subdivision expansion or density  
4 increases or redevelopment or, in fact, road  
5 expansions?

6 Infrastructure planning such as the  
7 construction of a sewer trunk line does dictate the  
8 nature and location of development and in that sense it  
9 is inter-related to other activities?

10 A. Yes, that's fair. My point is simply  
11 that a project in one location is not inter-related to  
12 a project in another location.

13 In the context of timber management,  
14 projects in various locations in the province are  
15 inter-related to projects in other locations of the  
16 province in terms of meeting the overall provincial  
17 objective of providing a continuous and predictable  
18 supply of wood.

19 Q. But you could say the same thing for  
20 municipal infrastructure. I mean, that's going towards  
21 the provincial objective of ensuring environmentally  
22 sound and equitable housing and planning and  
23 development in this province?

24 A. Some might. It is beyond my  
25 expertise to really comment on that.



1 Q. Okay. Let's move to another subject.  
2 You have talked about the fact that in your view it  
3 would be inappropriate to make land use decisions  
4 through the timber management planning process and you  
5 are quite concerned about the probability of a no  
6 harvest or no road decision being made in the context  
7 of a timber management plan.

8 Now, I take it if those decisions are not  
9 being made in the context of a timber management plan  
10 they are being made in other higher order documents  
11 like a District Land Use Guideline?

12 A. I wouldn't characterize decisions on  
13 road versus no road being made in higher levels.

14 I would characterize decisions on what  
15 activities are permitted in what pieces of geography  
16 with perhaps conditions attached through whatever  
17 wording there is for land use zoning as being made at  
18 higher levels, yes.

19 Q. And in the context of the current  
20 undertaking you would look primarily or first at the  
21 applicable District Land Use Guideline designation;  
22 would you not?

23 A. That's correct. The District Land  
24 Use Guideline would provide the direction as to where  
25 timber management is a permitted use.

1 Q. I am not going to spend any time on  
2 this, but I do want to have you confirm for me that the  
3 District Land Use Guidelines are just guidelines and  
4 they are not legally binding or enforceable, are they?

5 A. That's correct.

6 Q. They don't enjoy any particular legal  
7 status like an official plan does under the Planning  
8 Act, is that not correct?

9 A. That's correct. I believe Mr.  
10 Kennedy addressed that I think in Panel 1 in  
11 cross-examination.

12 Q. Unlike official plans under the  
13 Planning Act, which has quite a comprehensive amendment  
14 process, amendments to a District Land Use Guideline in  
15 fact can be carried out unilaterally by the Ministry of  
16 Natural Resources without public notice in some  
17 circumstances; is that not the case?

18 A. I don't think it is proper to  
19 characterize it in the sense you have, that there is no  
20 public notice.

21 I think that there is a procedure in  
22 place. There is no question there have been concerns  
23 about the adequacy of all of those procedures and I  
24 think that's part of the subject matter that's going to  
25 be addressed during the land use planning system

1 review.

2 Q. As an environment planner, can I ask  
3 you to confirm that even where a use might be permitted  
4 under an official plan that's not a guarantee that any  
5 particular use might in fact be approved and -- let me  
6 just stop right there.

7 A. Mr. Lindgren, I have had no expertise  
8 when it comes to the subject of official plans.

9 Q. Let's stick to DLUGs. Can you  
10 confirm for me that there are currently districts that  
11 don't have approved DLUGs?

12 A. Yes, I think that has been MNR's  
13 evidence.

14 Q. I think both you and Mr. Kennedy has  
15 told us that if you do want a no harvest or no road  
16 decision your best bet is to seek an amendment to the  
17 District Land Use Guideline. Is that the case?

18 A. Yes, that's what we have said.

19 Q. So if you don't want a road in a  
20 particular area you have to get an amendment to the  
21 DLUG from the very agency that's proposing to put the  
22 road there?

23 A. I guess I have a little difficulty  
24 with the way you have posed that question in dealing  
25 with the specific of the road.



1 I would characterize that request to not  
2 have the road as being more properly probably a request  
3 that no activities for which the road is there is  
4 proposed to facilitate ought to be permitted and that  
5 some other use ought to be the use that's available for  
6 that area.

7 In the absence of DLUGs, yes, there is a  
8 difficulty in terms of our position that one should  
9 pursue amending the DLUG to address that kind of  
10 concern. I acknowledge that.

11 Q. Just finally on the issue of DLUGs.  
12 It is my understanding that when they were approved in  
13 1983 there was a commitment from the Ministry to  
14 undertake a 10-year review of the District Land Use  
15 Guidelines.

16 However, in the answer to FFT  
17 interrogatory No. 7(e) we find that the review of DLUGs  
18 will not be occurring in 1993 in light of this overall  
19 land use planning review.

20 So, Mr. Bisschop, can you tell me or can  
21 you tell the Board when, if at all, the existing land  
22 use guidelines are going to be reviewed and revised?

23 A. Personally I can't be specific on the  
24 timing of when something might be done. I can only  
25 reiterate that MNR is committed to the land use

1 planning system review.

2 I am not familiar and I can't recall  
3 whether Dr. Balsillie actually stated a date about that  
4 initiative, but our position would be that that  
5 planning review ought to occur before any decisions are  
6 made about what do we do in terms of producing new  
7 District Land Use Guidelines or revising those that  
8 exist.

9 Q. Well, Dr. Balsillie, let me put the  
10 same question to you. When, if at all, are we going to  
11 see revisions to the existing District Land Use  
12 Guidelines?

13 DR. BALSILLIE: A. I don't think there  
14 is any question about the fact that they will have to  
15 be reviewed and revised. The planning system review,  
16 as I indicated to you, is about to become or about to  
17 be underway in a public sense in the not too distant  
18 future.

19 We have come to putting closing dates on  
20 some of these kinds of activities because we find that  
21 it takes longer than anyone every anticipated, but we  
22 are committed to having that planning system review,  
23 getting it through in an expeditious fashion for two  
24 reasons.

25 We will then have a new planning system

1 in place and, No. 2, the new district boundaries will  
2 be in place and, therefore, we will need new guidelines  
3 related to that situation where we now have a new  
4 organization.

5 In the meantime, the DLUG amendment  
6 process is still in place and if there are changes that  
7 are needed to existing DLUGs, then that can occur.

8 Q. So I guess the short answer to my  
9 question is that the MNR is not in a position today to  
10 tell us when the revision to the DLUGs are going to  
11 occur? You can't tell us if it is going to be 18  
12 months, two years or a decade?

13 A. That's correct, although I think it  
14 would be unfair to indicate that it would be a decade.

15 Q. Well, Dr. Balsillie, you can keep  
16 your mike on because I want to ask you a few questions  
17 about the sustainable forestry initiatives and some of  
18 the new policy directions that you mentioned this  
19 morning. Perhaps we could start by turning to page 29  
20 of your witness statement.

21 Now, in the second sentence on page 29  
22 you indicate that during the late 1980s a number of  
23 trends and issues became apparent to the MNR and  
24 presumably these trends and issues that you described  
25 by the bullet points led to Direction 90s and a few of



1 the other initiatives, and I will talk about those in a  
2 moment.

3 In Direction 90s, on page 7 we see a  
4 statement -- do you have a copy of Direction 90s? I am  
5 sure you don't leave home without it. Can you turn to  
6 page 7 of that document, the third bullet point.

7 Madam Chair, I will just read it into the  
8 record. It is a short statement.

9 MR. MARTEL: I left mine beside my bed.

10 MR. LINDGREN: Under the pillow, no  
11 doubt.

12 Q. At page 7, the third bullet point we  
13 see that:

14 "Sustainable development relies on  
15 integrated management approaches which  
16 consider the full range of environmental,  
17 social and economic factors when  
18 decisions are made about the use of  
19 natural resources."

20 Now, keeping that statement in mind, Dr.  
21 Balsillie, the MNR is still continuing to seek approval  
22 for the same, and what some people would call narrowly  
23 focused undertaking of timber management, the same  
24 undertaking it has submitted and resubmitted since the  
25 19802 at least.

1                   How is timber management, the undertaking  
2 of timber management, as the MNR has defined it, how is  
3 that consistent with your minister's apparent  
4 endorsement of integrated management approaches?

5                   DR. BALSILLIE: A. What I attempted to  
6 do this morning, Mr. Lindgren, was to put the timber  
7 management activity in context with all of the other  
8 initiatives which were underway.

9                   I also tried earlier to refer to the  
10 terms and conditions which MNR had put in place on  
11 January 6th of this year and that a number of the  
12 issues are addressed in terms of work that needs to be  
13 done in order to broaden that timber management  
14 environmental assessment.

15                   In addition to that, we recognize that  
16 there are other activities that need to be undertaken  
17 and we have committed to undertake those and they are  
18 in various stages and forms of development.

19                   As I indicated from the diagram then, we  
20 are in a dynamic process and that the framework  
21 policies will impinge on the implementation of the  
22 timber EA -- of the timber management process.

23                   The biodiversity activity, land use  
24 planning, et cetera, will all be ultimately rolled into  
25 the workings of the Ministry of Natural Resources.

1                   So I don't see the inconsistency because  
2           I have stressed this morning that we also want to get  
3           on with the on-the-ground delivery of the timber  
4           management process and we feel that the best way to do  
5           that is to implement the timber management program with  
6           the terms and conditions that we have undertaken to  
7           pursue and with the related policy initiatives in other  
8           forums.

9                   Q. Well, I will return to those policy  
10          initiatives in a few moments because I do want to place  
11          timber management in that context as well.

12                   Let me ask you to turn ahead to page 40  
13          of your witness statement and under the heading Summary  
14          we find in the second sentence a statement that:

15                   "The Ministry is pursuing a policy  
16                   agenda which is more wholistic in outlook  
17                   and recognizes a great range of resource  
18                   values."

19                   Dr. Balsillie, how precisely is the MNR  
20          going to do this when it is still focusing on timber  
21          management planning and the focus of timber management  
22          planning is still timber production?

23                   A. First of all, Mr. Lindgren, we are  
24          pursuing this particular goal and I made that quite  
25          clear.



1                   Secondly, you are not going to do away  
2 with timber management planning per se. There is going  
3 to have to be some on-the-ground timber management  
4 planning in order to manage that particular aspect of  
5 forest management.

6                   As we move and evolve through this  
7 process, then the other aspects of the policy  
8 development are going to come into play and they will  
9 be involved.

10                  Q. Dr. Balsillie, as I understand the  
11 planning process that's been put forward by the MNR,  
12 the MNR is distinguishing between the type of planning  
13 that occurs on an AOC and the type of planning that  
14 occurs elsewhere in the management unit.

15                  Do you see that as wholistic or  
16 integrated management planning?

17                  A. As I understand it, the purpose of  
18 the AOCs is to make sure that those areas of concern  
19 are protected and, therefore, they would not be  
20 considered within the timber management planning  
21 process for the undertaking of timber management on  
22 those lands which are then where timber management is a  
23 permitted use.

24                  To say that it is a different process,  
25 what happens is to go through the land use planning

1 process and remove the areas of concern prior to  
2 managing for timber management on those areas that are  
3 left.

4 Q. Well, you just mentioned that AOCs  
5 are removed from a DLUG. Are you aware that timber  
6 management can occur within AOCs?

7 MR. KENNEDY: A. Mr. Lindgren, I can  
8 confirm for you a number of points you are asking.

9 Area of concern planning process and  
10 setting a prescription, it is possible to conduct  
11 modified timber management operations adjacent to a  
12 value with an area of concern.

13 Q. Or, in fact, it is possible to  
14 clearcut within an area of concern, correct?

15 A. Yes, it is possible that you may  
16 choose to conduct operations in full within an area.

17 Q. Dr. Balsillie, the point is simply  
18 this, if you are going to practise integrated resource  
19 management don't you have to set specific targets for  
20 all resources within an integrated, comprehensive,  
21 wholistic planning process?

22 DR. BALSILLIE: A. I think that that is  
23 the goal to which we are all headed. I think that we  
24 still have some work to do in order to get all of that  
25 together.

1 I think from the information I presented  
2 to you this morning that we have two pages of policy  
3 agenda which we are undertaking to develop and bring to  
4 fruition.

5 In the meantime, we have to, in my  
6 opinion, get on with the timber management process with  
7 the terms and conditions which we have put forward.

8 Q. Now, in light of your answer, Dr.  
9 Balsillie, I take it that you would agree with me that  
10 if you want to practise wholistic management you need a  
11 wholistic or integrated plan, not just a timber plan?

12 A. Well, I think that the terms and  
13 conditions call for looking at the requirements of  
14 other management plans; for instance, whether it is a  
15 fisheries management plan or wildlife management plan  
16 or whatever on those units.

17 So within the processes which are  
18 available to us today, our terms and conditions  
19 indicate that we have to do that.

20 MR. LINDGREN: Madam Chair, this might be  
21 an appropriate time for a break. I can advise that I  
22 have approximately 20 to 30 more minutes to go through.

23 MADAM CHAIR: That's fine. We will be  
24 back in 15 minutes, Mr. Lindgren.

25 ---On recessing at 2:45 p.m.



1 ---On resuming at 3:00 p.m.

2 MR. LINDGREN: Q. Dr. Balsillie, if I  
3 could, could I ask you to turn back to page 29 of your  
4 witness statement. Under the second bullet point we  
5 see that policy voids were being identified at an  
6 increasing rate because of rapidly evolving social  
7 values; e.g., old growth forests.

8 Is it the MNR's position that the old  
9 growth forest issue is solely or primarily a social  
10 issue?

11 DR. BALSILLIE: A. No, it's not. It's  
12 an issue which has biological and scientific  
13 significance as well as social.

14 Q. Thank you. Then the second last  
15 bullet point on the page deals with the forest  
16 production policy and we see a statement that:

17 "Some policies have been developed with  
18 a rather narrow focus in terms of today's  
19 expectation; e.g., forest production  
20 policy and without the benefit of more  
21 comprehensive policy framework which  
22 would define their linkages."

23 Now, I realize we haven't seen the new  
24 timber production policy, but are you aware or can you  
25 confirm that the new timber production policy when it

1 comes out is still going to be narrowly focused on  
2 timber production?

3 A. The timber production policy per se  
4 has as its major focus determining the possible levels  
5 of future wood supply that the government could make  
6 available to the wood products industry and that is the  
7 major focus of the timber production policy and we are,  
8 as I said this morning, developing the background and  
9 moving forward to the public consultation process.

10 The difference in today's milieu is that  
11 you don't have timber production policy in isolation,  
12 that you will have the timber production policy along  
13 with the other sustainable forestry initiatives, the  
14 non-timber values and the forest values exercise, et  
15 cetera.

16 So I think that is the major difference  
17 between the 1972 forest production policy and the  
18 proposed timber production policy as we are moving  
19 forward.

20 Q. Now, it is my understanding that the  
21 new timber production policy was originally due in 1988  
22 and I realize that predates you, Dr. Balsillie, but are  
23 you in a position to confirm that original target date?

24 A. It is my understanding that it was to  
25 be developed earlier. The original target date I can't

1 confirm.

2 Q. When did the MNR commence work on  
3 Phase 1, as you've called it, of the new timber  
4 production policy?

5 MR. KENNEDY: A. It is my understanding  
6 that it was some time during 1990.

7 Q. And did I hear you, Dr. Balsillie,  
8 indicate that the finalized timber production policy  
9 will be ready for implementation some time in 1995?

10 DR. BALSILLIE: A. That's correct.

11 Q. In your answer a few moments ago you  
12 referred to some of the other policy initiatives that  
13 are underway that form the framework for this new  
14 timber production policy.

15 Now, earlier today I distributed a short  
16 package of information relating to the sustainable  
17 forestry program. Did you have an opportunity to  
18 review that?

19 A. Yes. Are you referring to the letter  
20 signed by Mr. Wildman and the statement in the  
21 legislature by Mr. Wildman?

22 Q. (nodding affirmatively)

23 A. Yes, I have seen this.

24 MR. LINDGREN: Madam Chair, I would like  
25 to have that marked as the next exhibit.



1                   Madam Chair, I would describe this as a  
2 six-page package containing an undated letter from Mr.  
3 Wildman together with a two-page news release on  
4 sustainable forestry and the minister's four-page  
5 statement to the House dated May 7, 1991 on sustainable  
6 forestry.

7                   MADAM CHAIR: This material will become  
8 Exhibit 2315.

9                   ---EXHIBIT NO. 2315: Six-page package containing an  
10 undated letter from Mr. Wildman  
11 together with a two-page news  
12 release on sustainable forestry  
and the minister's four-page  
statement to the House dated May  
7, 1991 on sustainable forestry.

13                  MR. LINDGREN: Q. Dr. Balsillie, again  
14 in light of the time constraints, I would like to take  
15 you quickly through this document. On the first page  
16 we see statement to the effect that:

17                   "Ontario's forests are a critical  
18 element of our environment that must be  
19 maintained and enhanced for future  
20 generations. To ensure these needs are  
21 met, the provincial government and the  
22 Ministry of Natural Resources have  
23 announced their commitment to sustainable  
24 forestry. The enclosed information  
25 package describes how Ontario will shift

1 to forest management based on  
2 sustainability. "

3 Bear with me I have a couple of other  
4 places I want to bring to your attention.

5 On the first page of the news release,  
6 and this is the second page of the package, we see a  
7 statement that:

8 "The minister today announced a  
9 comprehensive five-point sustainable  
10 forestry program to change the direction  
11 of forest management in Ontario. While  
12 describing the new directions in forest  
13 management Mr. Wildman also announced a  
14 20 per cent reduction this spring in  
15 aerial herbicide spraying which protects  
16 young trees from competing vegetation."  
17 Then there is a quote from Mr. Wildman:  
18 "Traditionally this province's forestry  
19 programs have focused mainly on the  
20 production of timber. Sustainable  
21 forestry is management that ensures the  
22 long-term health of the forest  
23 ecosystems. That means managing for all  
24 forest values, protecting old growth  
25 ecosystems, reducing our dependence on

1 chemical herbicides, involving the public  
2 in decisions and enhancing our forests in  
3 the south."

4 Then finally I will refer you to the  
5 first page of the actual statement to the House where  
6 Mr. Wildman says:

7 "In the past, this province's forest  
8 programs have focused mainly on timber  
9 production with some consideration for  
10 other social, environmental and economic  
11 benefit. The program I am announcing  
12 today involves a different approach, a  
13 sustainable forestry approach.  
14 Sustainable forestry is management that  
15 ensures the long-term health of forest  
16 ecosystems..."

17 It goes on further to define what  
18 sustainable forestry is.

19 I have two questions for you, Dr.  
20 Balsillie. First of all, do you agree with the new  
21 policy directions announced by Mr. Wildman in these  
22 pages?

23 DR. BALSILLIE: A. I'm sorry. With  
24 regard to the question you seem -- do I personally  
25 agree with this or do I and my division and the



1 Ministry agree?

2 I will answer both questions in a moment,  
3 but I guess what I am asking is, what are you asking  
4 me?

5 Q. I thought the question was fairly  
6 simple. Do you agree with this?

7 My next question was, does the rest of  
8 the MNR agree with this policy question? So you can  
9 answer both questions at the same time, if you like.

10 A. The answer is yes.

11 Q. So if I understand the new policy  
12 direction, the direction is going to be towards  
13 implementing forest management in this province; is  
14 that a correct interpretation?

15 A. It is, in the future.

16 Q. And can you give me some indication  
17 as to when in the future we are likely to see forest  
18 management, in the MNR's view?

19 A. In terms of the chart which I have  
20 put up this morning, one of the things which I did talk  
21 about was the timing and that, in fact, the results  
22 from the timber management EA hopefully will come  
23 forward in the spring of '93 and we could move forward  
24 in '94 with that whole process and that undertaking.

25 Now, I also indicated that the

1 sustainable forestry initiatives, some of them have a  
2 horizon for finishing in 1995.

3 In addition to that, though, we have SPOF  
4 which is finished now and the implementation strategy  
5 will be announced shortly.

6 We have the wildlife strategy which will  
7 be coming forward in the not too distant future, but I  
8 would see that we are looking at something in the  
9 neighbourhood of 95/96 when all of these pieces start  
10 to come together so that we can move more towards the  
11 kind of system which you are talking about because the  
12 frameworks and the policies and the studies and the  
13 background information will all be available and will  
14 be there in terms of that kind of implementation.

15 Q. So if I understand you correctly you  
16 think the Ministry will be in a position to implement  
17 forest management by 1995/96?

18 A. We will be a long way down that road.  
19 We also looked at this morning, in terms of Mr.  
20 Kennedy's evidence, the time line for just getting  
21 through the cycle and introducing the new terms and  
22 conditions for the timber management activity. So that  
23 time line takes us out nine years as well.

24 So I think that we have to look at all of  
25 these things and, as I said this morning, the terms and

1 conditions of the MNR take into account being able to  
2 accommodate these changes or to fit into the new  
3 frameworks and they have been designed specifically for  
4 that.

5 So I think, as I said this morning, we  
6 are in the midst of a dynamic change and we are  
7 changing and we are going to implement that over time.

8 Q. Along those lines I would like to ask  
9 you about your involvement in the Forestry Sectoral  
10 Task Force that was established under the Ontario Round  
11 Table.

12 Can you confirm for me that you  
13 participated on the task force as a representative of  
14 the Ministry of Natural Resources?

15 A. I can indicate that I was a member of  
16 the task force. The linkage between the individuals  
17 who were on the task force and their parent  
18 organization was somewhat fuzzy, although I can say  
19 that having sat on the task force I was cognizant of my  
20 role as a senior administrator within the Ministry of  
21 Natural Resources.

22 MR. LINDGREN: Madam Chair, Mr. Freidin  
23 advises me that the full final report of the task force  
24 has been entered as Exhibit 2231, so I don't propose to  
25 enter it again.



1 Q. Dr. Baskerville, when I looked at the  
2 composition of the task force I see you identified as  
3 the Assistant Deputy Minister, Policy, Ministry of  
4 Natural Resources. It doesn't appear to me that you  
5 were in there in your personal capacity?

6 A. I understand that. However, on a  
7 number of occasions, and I am not backing away from my  
8 responsibility as ADM, on a number of occasions members  
9 of the task force indicated that their constituents  
10 from whence they came would not necessarily agree with  
11 where they were coming from.

12 So that in some cases the members -- I am  
13 not indicating necessarily myself, but all I am trying  
14 to indicate to you, Mr. Lindgren, is that certain of  
15 the members sometimes disavowed themselves of where  
16 they were coming from because we tried to reach  
17 consensus on a lot of issues.

18 Q. As you know, Dr. Balsillie, consensus  
19 was reached on the issue of reducing pesticide use in  
20 the forest, developing a policy that would lead to a  
21 range of clearcut sizes in the province and all of  
22 these appear as recommendation in the report.

23 Let me ask you the twofold question I put  
24 to you before. Do you personally agree with the  
25 recommendations in the report and does the MNR agree

1 with the recommendations as drafted in the report?

2 A. First of all, a point of  
3 clarification, there was not unanimity on the pesticide  
4 use and that was the one issue which we did not agree  
5 on unanimously.

6 Secondly, I agree with the  
7 recommendations in the report because I signed off on  
8 it. Having signed off on that report, I did not take  
9 it back to my senior people to ask for agreement. In  
10 fact, it was only one member of the task force who  
11 required sign off to the people for whom he  
12 represented.

13 Q. Now, on the issue of pesticide use  
14 and pesticide reduction, we have just read the  
15 minister's indication that for the 91/92 season there  
16 is going to be a 20 per cent reduction in aerial  
17 spraying.

18 Are you aware of a similar reduction in  
19 aerial spraying for the current year 1992/93? I put  
20 the question to Mr. Wagner and he was unaware of such a  
21 reduction for the current fiscal year.

22 A. I'm aware that there was a 20 per  
23 cent targeted reduction for 1991/92. I am not aware of  
24 a specific target for 92/93.

25 Q. I didn't ask you if there was a

1 specific target. Has there actually been a reduction  
2 in the 92/93 year?

3 A. I don't know the answer to that  
4 question. The other thing is we are not through.

5 Q. Let me ask you a couple of questions  
6 about the independent audit and, again, I gave to you a  
7 four-page overview of what the audit is supposed to do.  
8 Did you read that?

9 A. What I have from you, Mr. Lindgren,  
10 is a letter from Mr. Hearnden, the Chairman of the  
11 Forest Audit Committee, to Michelle Swenarchuk and a  
12 two-page terms of reference for the independent audit.

13 Q. That's the document I am referring  
14 to. Have you had a chance to glance at it?

15 A. Yes, I looked at it over the noon  
16 hour.

17 MR. LINDGREN: Madam Chair, I would like  
18 to enter that as the next exhibit.

19 Madam Chair, that is a four-page document  
20 consisting of a two-page letter to Ms. Swenarchuk from  
21 Mr. Hearnden dated May 16, 1991 and it attaches a  
22 two-page description of the terms of reference for the  
23 independent audit.

24 MADAM CHAIR: This will become Exhibit  
25 2316.



1     ---EXHIBIT NO. 2316:   Four-page document consisting of  
2                                   a two-page letter dated May 16,  
3                                   1991 and a two-page description  
4                                   of the terms of reference for the  
5                                   independent audit.

6                                 MR. LINDGREN:   Q.   Dr. Balsillie, I don't  
7                                 think you mentioned this in your discussion of this  
8                                 initiative this morning, but having regard for the  
9                                 first paragraph on the first page can you confirm for  
10                                me that the primary purpose of the audit is to have an  
11                                independent examination of the success or failure of  
12                                artificial and natural regeneration on previously  
13                                harvested areas of the boreal forest?

14                               DR. BALSILLIE:   A.   That's correct and it  
15                                is also limited by the time frame of 1971 to 1991 which  
16                                is in the third paragraph.

17                               Q.   Then moving to the first page of the  
18                                terms of reference, in paragraph No. 3 we see that the  
19                                independent audit team will select townships and base  
20                                map areas to gather information on harvesting, renewal  
21                                and maintenance.

22                               Can you confirm for me that the audit  
23                                team will cover or has covered both FMAs and Crown  
24                                management units?

25                               A.   That is in their terms of reference.  
I haven't seen a list of, in fact, the actual units

1 that they did check. They did visit personally 33  
2 forest management units. The split between Crown and  
3 forest management agreement forests, I don't have it  
4 with me.

5 Q. Are you aware if the field work has  
6 been completed by the audit team?

7 A. As far as I know that has been  
8 wrapped up and they will certainly submit a report to  
9 the Minister of Natural Resources in October of this  
10 year.

11 Q. I take it that you would agree with  
12 me that the results of this audit would be very  
13 important in terms of the success or lack of success  
14 associated with artificial and natural regeneration  
15 techniques?

16 A. In terms of reporting on their  
17 success, that's correct.

18 Q. I think the question simply is, this  
19 is critical information; is it not?

20 A. I think it is critical and that's why  
21 we set out to do it. I don't think there is any  
22 question about that.

23 Q. Now, you have also discussed the  
24 comprehensive forest policy framework that's being  
25 developed and you have talked a bit about the forest

1 policy panel.

2 I take it that you would agree with me  
3 that because of the reporting time line this Board will  
4 not get a chance to look at the panel's final report  
5 and it is not going to get a chance to look at the  
6 minister's decision?

7 A. I believe that to be true, yes,  
8 because of the time line of their reporting to the  
9 minister.

10 Q. But the panel has, in fact, issued a  
11 discussion paper which you indicated has been out for a  
12 while.

13 Madam Chair, I would like to file that as  
14 the next exhibit. I apologize, I only have three  
15 copies. I gave one to Dr. Balsillie, I have got one  
16 for the Board and one for myself.

17 Madam Chair, I would describe this as the  
18 discussion paper published by the forest policy panel  
19 and it is date June 1992. It is printed in both  
20 English and French.

21 MADAM CHAIR: This publication will be  
22 Exhibit 2317.

23 ---EXHIBIT NO. 2317: Discussion paper published by the  
24 forest policy panel and it is  
dated June 1992.

25 MADAM CHAIR: What is you want us to look



1 at, Mr. Lindgren?

2 MR. LINDGREN: I am going to be referring  
3 the witness to some of the statements on the second or  
4 third page of this document.

5 MR. MARTEL: Is this the audit? You lost  
6 me.

7 MR. LINDGREN: This is not the audit.  
8 This is the discussion paper from another sustainable  
9 forestry initiative, the forest policy panel.

10 Q. Now, Dr. Balsillie, can I ask you to  
11 turn first to page 3 of this document and at the top of  
12 page 3 in italics we see a suggested goal from the  
13 panel, and it states:

14 "Our goal is to maintain and enhance  
15 the long-term health of our forest  
16 ecosystems for the benefit of all living  
17 things provincially, nationally and  
18 globally while providing environmental,  
19 economic, social and cultural  
20 opportunities for the benefit of present  
21 and future generations."

22 I recognize this is a draft document and  
23 it is out for discussion and that's what I want to have  
24 with you, a discussion on this particular provision.

25 Is the MNR in agreement with this

1 statement of the goal? Having regard for the fact it  
2 is a draft, but what is the MNR position on that  
3 general goal.

4 DR. BALSILLIE: A. To date we have not  
5 taken a position on any of the material produced by the  
6 forest policy panel.

7 For the benefit of the Board, this is a  
8 document which has been produced by the panel, by the  
9 four members of the panel for discussion and it is out  
10 for consultation at this particular time.

11 If I could just reiterate, Mr. Lindgren,  
12 what sustainable forestry has been defined as by the  
13 Ministry and it is forest management that ensures the  
14 long-term health of forest ecosystems which contribute  
15 to global and environmental benefits while providing an  
16 array of social, cultural and economic opportunities  
17 now and in the future.

18 So I think that a lot of those same  
19 concepts have been embraced by the forest policy panel  
20 and this is subsequent to the Ministry having produced  
21 its definition of what sustainable forestry is. So I  
22 think that the two sets of activities are closely  
23 related and linked.

24 Q. I think I agree with you, but that  
25 was not the question, Dr. Balsillie. I put to you the

1 goal and I am asking if you agree with it or not?

2 A. I think your first question was  
3 whether MNR agreed with it and my answer to that was  
4 that this has not been reviewed by MNR on an official  
5 basis and, therefore, we haven't agree or disagreed.

6 My answer to your question, my only  
7 personal feeling is that having been a member of the  
8 people that worked on the federal/provincial process  
9 for putting together a national forest strategy and  
10 since this goal is based on that national forest  
11 strategy and since the sustainable forestry goal which  
12 I worked on is similar I say, sir, that I have to  
13 agree.

14 Q. Thank you. I just have a couple of  
15 other provisions I want to bring to your attention and  
16 the first is towards the right-hand column on page 3  
17 under the subheading Management and we see in paragraph  
18 No. 6:

19 "Integrated resource management is the  
20 best approach to ensure that all values  
21 are protected and enhanced, including  
22 those that are primarily economic and  
23 those that are not."

24 I take it that you would agree with that  
25 statement?

1                   A. First of all, I would remind you that  
2 we do have an integrated resource management policy  
3 within MNR which we are living by at the present time,  
4 and that having set about a forest values project which  
5 will delineate non-timber values as well as timber  
6 values I am in agreement with that particular  
7 statement.

8                   Q. Okay. Then, finally, on this  
9 particular document can I ask you to turn to page 4.  
10 At the top we see a discussion of practices in the  
11 forest and we see some recommendations under the  
12 heading Silviculture. No. 1 is:

13                   "Forest practices should emulate within  
14 the bounds of silvicultural requirements,  
15 natural disturbances and landscape  
16 patterns."

17                   I am going to ask you, Dr. Balsillie, do  
18 you and the MNR support that statement?

19                   A. Yes, we do and I believe Mr. Kennedy  
20 has led evidence with regard to some of the work which  
21 is underway with regard to emulating natural  
22 disturbances and I think that there was also other  
23 evidence which was led with regard to landscape  
24 patterns.

25                   Q. Let's ove to item No. 2:



1 "Ecosystem types that cannot be  
2 replaced should not be harvested."

3 Do you and the MNR agree with that?

4 A. With regard to that one, I think I  
5 would need some further elaboration on that and whether  
6 or not we had a large number of those ecosystem types  
7 or whether they were limited or a whole series of  
8 questions would have to be asked and answered around  
9 that particular practice.

10 Q. So as a general principle you cannot  
11 agree that ecosystem types that cannot be replaced  
12 should not be harvested? Even on a general level you  
13 cannot agree with that?

14 A. I don't say that I didn't agree with  
15 it. I said at this point in time I would need some  
16 more information around that as opposed to it being a  
17 general principle which I personally would latch onto.

18 We are concerned about unique situations  
19 and those might be dealt with under either through the  
20 endangered spaces program and the areas of natural and  
21 scientific interest or under old growth or some of  
22 these other areas.

23 So I think we are concerned about  
24 uniqueness and preserving uniqueness and preserving  
25 biodiversity which might not occur. So all I am saying

1 is that that is a fairly bold statement and before I  
2 agreed boldly with it I would like to have some further  
3 questions asked and answered.

4 Q. Although I was intending to ask you  
5 about items 3, 4 and 5, I won't, but I will ask you  
6 about No. 6:

7 "Use of conventional chemical  
8 pesticides should be minimized.  
9 Alternative methods of pest control  
10 should be used wherever practical and  
11 environmentally sound."

12 Do you and the MNR agree with that?

13 A. In principle we agree and we are  
14 moving towards that and you have heard testimony to  
15 that effect with regard to our VMAP program under  
16 sustainable forestry.

17 Q. Dr. Balsillie, I have a few quick  
18 questions arising out of some of the other sustainable  
19 forestry initiatives.

20 On page 32 of your witness statement you  
21 talk about the silvicultural strategies component. It  
22 is my understanding that the major focus of that  
23 project is to develop silvicultural strategies that are  
24 geared towards natural regeneration and smaller cuts.  
25 Can you confirm that for me?

1                   A. We are certainly looking at natural  
2 regeneration and the possibility of making better use  
3 of natural regeneration in harvested areas, et cetera.

4                   To characterize it that we are  
5 specifically looking at only smaller cuts I think might  
6 be overstating our case or understating the case maybe.

7                   MR. KENNEDY: A. Mr. Lindgren, if you  
8 would permit me just to add that we have heard evidence  
9 during our reply panels on many of these subject  
10 matters such as forest ecosystem classification, we  
11 have heard evidence of Mr. Uhlig; growth and yield  
12 studies was led by Mr. Greenwood last week; and such  
13 things as vegetation management was evidence given by  
14 Dr. Wagner.

15                   Q. Thank you for that reminder, Mr.  
16 Kennedy.

17                   Dr. Balsillie, this morning you mentioned  
18 the econometric study of the forest industry that has  
19 been awarded. Can you tell me who was awarded the  
20 contract and when it was likely to be completed?

21                   DR. BALSILLIE: A. I believe that the  
22 contractor has the letters RISI which is resource  
23 something. I forget what the letters are for. I have  
24 just always called it RISI. When it will be finished  
25 I'm not sure. I would have to go back and check.

1                   Q. You also mentioned the proposed  
2 wildlife strategy which has been marked as Exhibit 2065  
3 in this hearing.

4                   Now, your answer to FFT interrogatory No.  
5 7(b) indicates that the MNR has not endorsed this  
6 strategy nor has the MNR taken the position on any of  
7 the particular recommendations contained in the  
8 document.

9                   So let me ask you, when does the MNR  
10 expect to announce its formal response to the report  
11 and, more importantly, when is the MNR going to approve  
12 a wildlife policy for the province?

13                  A. The particular document which you  
14 referred to in terms of the strategy was taken back to  
15 wide consultation, as I indicated this morning.

16                  We are now in the process of pulling  
17 together the final report to give to the minister with  
18 regard to the recommendations. That should be in front  
19 of the minister by the end of the year.

20                  The time frame beyond that will depend on  
21 the response which we get. There are a number of  
22 recommendations which will come forward, some of which  
23 can be not unlike forestry in timber management, some  
24 which may be undertaken immediately and quickly and  
25 others which will take more time and resource.



1                   So at this point in time I can indicate  
2                   to you the minister will have his report by the end of  
3                   the year and that we will be moving expeditiously in  
4                   order to implement that. I know that the minister is  
5                   anxious to have some, if not all, of those  
6                   recommendations acted upon in one way or another.

7                   Q. So the short answer is you can't tell  
8                   me when the province will have an approved wildlife  
9                   policy?

10                  A. That's the short answer. As I  
11                  indicated earlier to the Board, I am reluctant to gaze  
12                  into a crystal ball and be disappointed again.

13                  Q. Then finally let me turn to the  
14                  endangered spaces initiative. In your evidence, the  
15                  written evidence suggests that timber management will  
16                  not be allowed in any new parks that are established  
17                  under that initiative.

18                  If that's the case, can you tell me why  
19                  timber management is a permitted use in at least one  
20                  park in this province?

21                  A. The last remaining park where  
22                  recently timber management was removed from Lake  
23                  Superior Park and we have operations ongoing in  
24                  Algonquin Park under the Algonquin Forest Authority and  
25                  this is a specific type of activity in a hardwood

1 forest for the most part with select cutting in  
2 specified and specific ways, and to my knowledge there  
3 is no move to alter that or to change it so there would  
4 be no cutting in Algonquin Park.

5 Q. Now, in MNR panel No. 7 in its case  
6 in-chief, Dr. Balsillie, Mr. Beechey indicated in  
7 cross-examination that very few ANSIs have management  
8 plans and this was evidence that was given a number of  
9 years ago.

10 I am going to have you an opportunity to  
11 update the Board. Can you tell me how many ANSIs in  
12 the area of the undertaking currently have approved  
13 management plans?

14 A. I would have to say to the Board that  
15 I don't have the answer on the top of my head.

16 Q. Will you undertake to make the  
17 necessary inquiries and advise the Board and parties in  
18 writing.

19 A. That can be undertaken. Yes, we will  
20 do that.

21 Q. Mr. Gordon, this might be a more  
22 appropriate question for you and that concerns the  
23 level of funding that's committed to ANSI work.

24 Can you tell me how much money is  
25 currently dedicated towards surveying ANSIs within the

1 area of the undertaking and, more particularly, have  
2 there been any cutbacks in that funding?

3 MR. GORDON: A. I don't have the  
4 information to answer that question.

5 Q. Well, can I ask you to undertake to  
6 find out the answer?

7 A. Yes, I will.

8 Q. Let's be very clear on the  
9 undertaking here. I am asking you to undertake to find  
10 out what the budget is for the ANSI program including  
11 the budget dedicated for surveying ANSIs within the  
12 area of the undertaking.

13 It wouldn't be limited to this year. I  
14 want to know how much, you know, you are going to spend  
15 this year and what are the projections in the future,  
16 if you can find that information.

17 Dr. Balsillie, let see if I can sum it  
18 all up in terms of where we are and where the Board is  
19 in this hearing.

20 The MNR has got a 1972 timber production  
21 policy and you have got no real idea other than to tell  
22 us that the new ones is going to be available in 1995  
23 or at some point around that point in time; is that  
24 right.

25 DR. BALSILLIE: A. I think that's your

1 way of characterizing the situation as opposed to the  
2 fact that I think we are critically aware of the amount  
3 of material which is being cut, what's required, we do  
4 have timber management plans, et cetera, et cetera. So  
5 I don't think it is quite as bleak possibly as you have  
6 characterized it.

7 Q. Well, let me characterize something  
8 else. Right now the MNR does not have an approved  
9 wildlife policy. Can you confirm that?

10 A. We don't have an over-arching  
11 wildlife strategy, that's correct.

12 Q. And you don't have an over-arching or  
13 provincial biodiversity policy?

14 A. There is an interim draft  
15 biodiversity definition which is very similar to the  
16 U.N. convention to which the ministries which I  
17 mentioned have agreed to that definition.

18 To state, though, that we have an  
19 over-arching biodiversity policy at this point in time  
20 would be stretching the situation.

21 Q. Well, in fact the MNR does not have  
22 an approved biodiversity policy?

23 A. In bold terms that's correct.

24 Q. And you don't have an approved old  
25 growth policy?



1                   A. No, but that hasn't prevented us from  
2 moving to protect ten pieces of property in the area of  
3 the undertaking in order to make sure that those red  
4 and white pine stands are protected in the meantime.

5                   Q. Well, we have also heard Mr. Kennedy  
6 tell us that those are the not only areas of old growth  
7 in Ontario.

8                   Can you also confirm for me at the  
9 present time the MNR doesn't have an approved natural  
10 heritage area protection strategy?

11                  A. This is true. On the other hand, we  
12 do have 261 parks, we do have a large number of ANSIs  
13 and we do have a series of activities in place to  
14 provide protection, not the least of which is the parks  
15 where we have heard there is only one park where we  
16 have timber management activities.

17                  Yes, we are moving to the development of  
18 an endangered spaces program, we are committed to it  
19 for 1993 and the year 2000 and we have a natural  
20 heritage area strategy which we intend to put in place,  
21 but boldly it is not there today.

22                  Q. Dr. Balsillie, the MNR does not have  
23 in place a single approved comprehensive forest policy?

24                  A. Are you indicating the comprehensive  
25 forest policy framework?

1 Q. Well, you are developing a framework,  
2 but as I understand it there hasn't been a single  
3 policy that's come down the pipe yet that's been  
4 approved.

5 A. Well, that's correct. Maybe for the  
6 panel's -- for the Board's information, one of the  
7 reasons which we did go through reorganization, one of  
8 the reasons which I was assigned to the new policy  
9 division, one of the reasons that we have so many  
10 policy initiatives underway was that we did have voids  
11 which we have indicated in the witness statement and we  
12 are not hiding from the fact that there have been large  
13 policy voids and we are taking I think dramatic action  
14 to solve that particular situation.

15 Q. Finally, Dr. Balsillie, can you agree  
16 with me having regard for those policy voids that you  
17 are now attempting to address, can you agree with me  
18 that each of the issues that I have just identified,  
19 wildlife, biodiversity, old growth, those are all  
20 matters that can be potentially affected and adversely  
21 affected by timber management within the area of the  
22 undertaking?

23 A. They can be affected. I am not sure  
24 that they would be adversely affected.

25 So if you were to take biodiversity, I

1 don't think that you can boldly say that because you  
2 carry out timber management you have adversely affected  
3 biodiversity.

4 Whether you have affected old growth, if  
5 you cut down trees they are not there. So that if you  
6 say that affects adversely old growth, but I think that  
7 if we protect certain amounts of old growth and then we  
8 cut down other parts of old growth that will be a  
9 management decision, but I think to say boldly that  
10 timber management adversely affects all of those things  
11 I can't boldly agree with you.

12 Q. Well, let's be fair to me. That is  
13 not the question. The question was simply this, each  
14 of those issues can potentially be affected by timber  
15 management activities within the area of the  
16 undertaking?

17 A. I agree that they can potentially be  
18 affected. If I may, the question was affected or  
19 adversely affected.

20 We can also turn the reverse around and  
21 say that some of those policies may adversely affect  
22 timber production or timber recovery for use in the  
23 wood products industry. So this is the management  
24 challenge, in my opinion.

25 Q. Let me put a management challenge to

1 you. Should timber production particular primacy over  
2 biodiversity conservation within the area of the  
3 undertaking?

4 A. The challenge there is that we have  
5 to reach a balance, in my opinion, and in some cases  
6 timber management will take primacy, in other cases  
7 other things, it may be biodiversity, it may be  
8 recreation, it may be remote tourism, it may be an area  
9 of concern such as a geological feature, et cetera, et  
10 cetera, which will take primacy and that's where we all  
11 want to get to.

12 Q. Dr. Abraham has told the Board that  
13 in his opinion timber management production, in fact  
14 any resource management activity should be subordinate  
15 to what he has called the higher ordered goals of  
16 protecting and maintaining biodiversity.

17 Are you agreeing or disagreeing with Dr.  
18 Abraham?

19 A. It is always a dangerous place to be  
20 in when you get one of our own staff who has made a  
21 statement such as that.

22 What I come back to is that we have to  
23 give serious consideration to biodiversity, for  
24 instance. All I am saying is that timber management  
25 practice in certain cases could increase or improve



1 biodiversity. There is that possibility if it is done  
2 in certain ways.

3 So that what I am indicating to you is  
4 that on a timber management unit basis ultimately we  
5 will manage, as you have suggested, in a wholistic  
6 sense. We are just not there yet. We have got the  
7 challenge in front of us, we have got the commitment,  
8 we have got the activities in place, we will be there.  
9 In the meantime we have got to deal with the reality  
10 which is facing us today.

11 So as I indicated to the Board this  
12 morning, we are looking for the answer out of the  
13 timber management EA. All these other things will  
14 happen and they will be dynamic and ultimately will  
15 achieve the goal I think we are both looking for.

16 Q. Well, all I can say is I guess I will  
17 have to see you in October when we go to final  
18 argument.

19 MR. LINDGREN: Madam Chair, those are my  
20 questions for this panel. Thank you very much.

21 MADAM CHAIR: Thank you, Mr. Lindgren.

22 Ms. Gillespie?

23 MS. GILLESPIE: Thank you, Madam Chair.

24 As we stated this morning, we will be  
25 very brief in cross-examination. As we indicated in

1 our statement of issues, in our view much of the  
2 evidence with respect to EA requirements is more  
3 properly dealt with in argument and we will be dealing  
4 with those issues to the extent necessary at that time.

5 CROSS-EXAMINATION BY MS. GILLESPIE:

6 Q. Mr. Bisschop, I did have a question  
7 of clarification for you arising out of this morning.

8 I believe that you stated that in your  
9 view the Board has the authority to approve, deny or  
10 approve with conditions this undertaking. I take it  
11 you will agree that the Board can approve alternative  
12 methods of carrying out the undertaking?

13 MR. BISSCHOP: A. Yes, I think I added  
14 that at one point, that we see the Board's approval  
15 being approval for the undertaking and all the  
16 alternative methods that we have put forward.

17 Q. Now, that would also include  
18 alternative methods that other parties have proposed?

19 A. Yes, I think this is open to the  
20 Board.

21 Q. Do you consider that proposals such  
22 as those described in this hearing as habitat supply  
23 analysis or biodiversity management to be alternative  
24 methods?

25 A. No, I don't see those as a

1 alternative methods of carrying out the undertaking  
2 which is the four activities. I see that as  
3 considerations to take into account in planning those  
4 activities.

5 Q. So do I take it from that answer that  
6 it is your position that the Board would not have the  
7 authority to approve proposals such as habitat supply  
8 analysis or biodiversity management?

9 A. I see those as matters related to  
10 timber management planning that are totally within the  
11 realm of the Board's ability to say something about in  
12 terms and conditions and, for example, MNR has  
13 addressed its approach to how that ought to be handled  
14 in terms and conditions 89 and 90.

15 Q. Do you agree that the Board can  
16 approve alternative planning processes, for example,  
17 adaptive management which was characterized as an  
18 alternative planning process by Dean Baskerville?

19 A. I don't see that as an alternative  
20 planning process. I would argue that in timber  
21 management -- any timber management by its very nature  
22 involves adaptive management.

23 I think the Board can consider matters  
24 related to adaptive management and make whatever  
25 modifications to the planning requirements in its terms

1 and conditions that might better address that question  
2 from the perspective of the Board.

3 Q. Mr. Kennedy, I believe you gave some  
4 evidence this morning about the revisions to the Timber  
5 Management Planning Manual.

6 As I understand term and condition 75,  
7 MNR has committed to providing draft revisions of the  
8 Timber Management Planning Manual for review by various  
9 interested parties as that's part of its revision  
10 process; is that correct?

11 MR. KENNEDY: A. Yes, that is correct.  
12 That's consistent with the wording of term and  
13 condition 75.

14 Q. I would just like to have a little  
15 clarification of what you regard MNR's responsibility  
16 arising from comments that you may get on that  
17 revision.

18 Do you regard it as MNR's responsibility  
19 to build some sort of a consensus of approval of these  
20 revisions?

21 A. I don't think I would characterize it  
22 that way, although that is certainly an advantageous  
23 way to go about doing business.

24 I see the challenge that we will be faced  
25 with is to take the existing Timber Management Planning



1 Manual, to take the final terms and conditions, to take  
2 the public consultation provisions from the original  
3 Class EA Document, Exhibit 4, and to put them all into  
4 one document that's workable at the district level when  
5 preparing timber management plans for the unit in that  
6 there may well be differences of opinion that come  
7 forward from individuals as to possible interpretations  
8 of any one of those matters.

9 Indeed there may be opinions or agendas  
10 that other individuals would come forward with to make  
11 recommendations on dealing with other matters which MNR  
12 may consider to be not suitably dealt with through  
13 Timber Management Planning Manual.

14 To the extent possible I think you would  
15 want to -- well, we will set in place a process and  
16 opportunities to provide those full range of  
17 opportunities to get the full range of views to help us  
18 in crafting that document.

19 Q. But ultimately term and condition 75  
20 simply provides for comment and then MNR making the  
21 decision to accept or reject comment. There is no  
22 provision to resolve any disputes as to the revisions,  
23 or is there?

24 A. Excuse me for a moment. Thank you  
25 for that opportunity to consult.

1 I would like to make two points. One is  
2 that, of course, the challenge that we will have will  
3 be much easier if we are able to receive from the Board  
4 very clear direction on what they are intending in  
5 their terms and conditions and minimize ambiguity and  
6 interpretation as possible and it will go a long way to  
7 achieving that opportunity to put in place in first  
8 draft proper aspects in the Timber Management Planning  
9 Manual.

10 Another point I would make is that in the  
11 term and condition as it is currently worded you will  
12 see reference, I believe it is the second sentence, and  
13 I will it:

14 "Prior to finalization of revisions to  
15 the manual MNR will provide the Director  
16 of the Environmental Assessment Branch,  
17 Ministry of the Environment, and other  
18 interested persons with an opportunity to  
19 review draft revisions for  
20 consistency..." et cetera, et cetera.

21 We had contemplated that in providing it  
22 to the director of the Environmental Assessment Branch  
23 that this will serve the purpose of safeguarding the  
24 public interest, if you will, and that there will be  
25 opportunity there to have further discussions with MOE

1 staff who have been involved through the process to  
2 assist us in the proper interpretation of these  
3 matters.

4 Q. Can I take it from what you have said  
5 that you regard the provision to the director of the  
6 Environmental Assessment Branch as a requirement that  
7 the director of the Environmental Assessment Branch  
8 concur with the revisions?

9 A. No, I would not go so far as to use  
10 the word concurrence in this particular term and  
11 condition.

12 I think it is important that MNR maintain  
13 the responsibility to put in place the Timber  
14 Management Planning Manual. I think it is important  
15 that Ministry of the Environment maintains some  
16 distance, if you will, from that final decision as in  
17 keeping with the EA process and that MNR has  
18 responsibility to do their best to ensure that we have  
19 properly incorporated the results of the Board's final  
20 terms and conditions into a manual that will serve as  
21 the primary tool for providing direction to the field  
22 in implementing the terms and conditions related to  
23 timber management planning and plan contents.

24 Q. So ultimately the public has to be  
25 content with the final decision as to whether the



1 revisions comply with the terms and conditions resting  
2 with the Ministry of Natural Resources according to  
3 term and condition 75, that's your view?

4 A. Yes, that's our view.

5 MS. GILLESPIE: Thank you, Panel. Thank  
6 you, Madam Chair. Those are all of our questions.

7 MADAM CHAIR: Thank you, Ms. Gillespie.

8 Mr. Freidin, do you want to examine these  
9 witnesses again?

10 MR. FREIDIN: I certainly do. Before I  
11 close our case Mr. Lindgren had a matter that he wanted  
12 to address at the request of Mr. Colborne.

13 MR. LINDGREN: Yes, Madam Chair. I had  
14 an occasion to speak with Mr. Colborne briefly  
15 yesterday and today and and it does involve a matter  
16 which we believe arises out of Panel 4 and I have got  
17 two pieces of correspondence from him. I am not sure  
18 if the Board has it or not, but I have made copies and  
19 I will give it to you right now so we can discuss this  
20 matter in a little more detail.

21 Madam Chair, I am raising this only as a  
22 matter of professional courtesy to Mr. Colborne. He  
23 was unable to attend yesterday or today or tomorrow in  
24 fact to discuss this matter in person, but as I  
25 understand it the issue is this, he is concerned about



1 the apparent MNR proposal to apply the native  
2 consultation program that was agreed to by NAN to the  
3 Treaty 3 communities and if you read the correspondence  
4 you will see that he thinks it is inappropriate to  
5 apply the NAN consultation program to the Treaty 3  
6 communities.

7 At the bottom of page 2 of his letter,  
8 dated August 10th, he has posed a question to the  
9 Ministry of Natural Resources on that very issue and he  
10 has indicated that it may be necessary for him to seek  
11 leave of the Board to present further evidence on this  
12 rather narrow issue or point, as he has called it.

13 The other letter I had given you is an  
14 August 11th, 1992 letter that was sent today to Ms.  
15 Murphy, and I appreciate that Mr. Freidin has probably  
16 not had an opportunity to look at it, but it appears as  
17 if this issue has not been resolved as between the MNR  
18 and NAN.

19 As I indicated, based upon my brief  
20 conversation with Mr. Colborne this afternoon it does  
21 appear that he may in fact seek leave of the Board to  
22 present evidence on that narrow issue.

23 With that introduction, that's about as  
24 much as I know about the matter and perhaps we can hear  
25 from Mr. Freidin on this point.

1 MR. FREIDIN: Madam Chair, did you give  
2 that correspondence an exhibit number?

3 MADAM CHAIR: That will be Exhibit 2318  
4 and this is the correspondence from Mr. Colborne to Ms.  
5 Murphy dated August 10, 1992, and a second letter to  
6 Ms. Murphy from Mr. Colborne dated August 11, 1992.

7 MR. FREIDIN: Madam Chair, it may be a  
8 bit usual in terms of numbering exhibits, but I happen  
9 to have the letter from Ms. Murhpy to Mr. Colborne that  
10 he refers to in his second letter.

11 So the record is complete, perhaps we can  
12 just put these letters in order and mark them the same  
13 number, A, B and C.

14 I can advise, as set out in the letter,  
15 it is a matter which MNR is unable to respond to today.  
16 It has to be considered by my client and we have to  
17 receive instructions on the matter. I can undertake to  
18 deal with it as expeditiously as possible having regard  
19 to Mr. Colbornen's suggestion that he may feel  
20 compelled to ask the Board for leave to lead further  
21 evidence. So I can provide you with that letter.

22 MADAM CHAIR: These three pieces of  
23 correspondence will be Exhibit 2318. The first one,  
24 Exhibit 2318A, is the letter of August 10th, 1992 to  
25 Ms. Murphy from Mr. Colborne including a one-page

1 attachment entitled Resolution.

2 Exhibit 2318B will be the August 11th  
3 letter from Mr. Colborne to Ms. Murphy, a two-page  
4 letter.

5 Exhibit 2318C will be an August 11, 1992  
6 letter from Ms. Murphy to Mr. Colborne.

7 The Board doesn't want to hear anything  
8 more about this today. Thank you.

9 Thank you very much, Mr. Lindgren.

10 ---EXHIBIT NO. 2318A: Letter of August 10th, 1992 to  
11 Ms. Murphy from Mr. Colborne  
12 including a one-page attachment  
entitled Resolution.

13 ---EXHIBIT NO. 2318B: Two-page letter of August 11th  
14 from Mr. Colborne to Ms.  
Murphy.

15 ---EXHIBIT NO. 2318C: Letter of August 11, 1992 from  
Ms. Murphy to Mr. Colborne.

16 MR. FREIDIN: Madam Chair, I can advise  
17 you that I don't have any further questions for this  
18 panel. I would, however, like to make a comment. I  
19 would like to advise the Board that on this auspicious  
20 occasion at the close of the evidence of the Ministry I  
21 am not going to sing.

22 I do want to advise, however, that there  
23 is a room, I understand, down this hallway and  
24 hopefully the timing to get your flights back to  
25 Toronto are not such that you can't find your way down

1 that hall for a few moments and the reason for that  
2 really is as follows:

3 Our evidence is over, it has come to an  
4 end. I have a suggestion I hope no one  
5 to offend. When occasions are happy,  
6 when one has toiled hard for a cause we  
7 should all sit together, take a big  
8 sigh and take a pause.

9 To do so alone without bubbly to  
10 drink would be low class indeed, it is  
11 something about which I would not think.  
12 So please stay and join us in a small  
13 celebration before we go away and prepare  
14 'argumentation'.

15 You have lots of alternatives, you can  
16 say yes, you can say no, but I know the  
17 null alternative in the case of this  
18 undertaking is surely a no-go.

19 So with those words, Madam Chair, I  
20 formally close the case for the Ministry and look  
21 forward to everyone joining together in the room that I  
22 referred to down the hall.

23 MADAM CHAIR: Thank you, Mr. Freidin.

24 Thank you very much, gentlemen. Thank  
25 you for all your hard work in coming here today and we



1 will be back here on October the 19th, same  
2 arrangements, same schedule. If anything changes we  
3 will -- excuse me, we do have that session Monday at  
4 1:30 at our office in Toronto to hear further from two  
5 witnesses being put forward by Mr. King.

6 Two other quick matters. The first is  
7 that we have received more correspondence from Mr.  
8 Bruce Lavine dated July the 11, 1992 and Mr. Lavine  
9 appears to be making a bump-up request.

10 This correspondence has reached the  
11 timber management hearing, but it is circulated to the  
12 Minister of the Environment. So I guess that the  
13 Ministry of the Environment has this well in hand and  
14 will be in touch with Mr. Lavine.

15 Shall we give this an exhibit number?

16 MR. FREIDIN: If it is a letter to the  
17 Ministry of the Environment asking for a bump-up or a  
18 designation request and they sent a copy to them I am  
19 not too sure we need to make it an exhibit.

20 MS. GILLESPIE: This is the letter from  
21 Mr. Lavine? I thought it had been made an exhibit  
22 earlier. Which letter is this?

23 MADAM CHAIR: I believe this is another  
24 letter. We have a package of correspondence that had  
25 been exhibited previously.

1                   Why don't we attach this subsequent  
2           letter dated July the 11th to the original package of  
3           material Mr. Lavine sent the Board.

4                   Does anyone have an exhibit list to tell  
5           me what number that is?

6                   MS. GILLESPIE: Perhaps I could be  
7           provided with a copy of that, Madam Chair. Thank you.

8                   MADAM CHAIR: A final piece of paper. We  
9           have the answers to questions the Board had raised in  
10          connection with the written submissions and evidence  
11          given to us by the Ontario Public Service Employees  
12          Union and we have the responses to these questions we  
13          raised during the scoping session sent to us by Ms.  
14          Murphy dated August the 10th, 1992. I understand that  
15          the full-time parties have received this information as  
16          well.

17                   Is there any objection to make it an  
18          exhibit or do you think it is necessary?

19                   MR. FREIDIN: I think it is necessary.  
20          So I would ask that it be given an exhibit number,  
21          Madam Chair.

22                   MADAM CHAIR: All right, Mr. Freidin.  
23          This will be Exhibit 2319. It is 22 pages in length.

24          ---EXHIBIT NO. 2319: OPSEU's response to Board  
25                                   interrogatories.

1                   MADAM CHAIR: All right, then. Thank you  
2           very much.

3                   We will adjourn the hearing and thank you  
4           you all for helping us finish this penultimate stage of  
5           the hearing. And we will see you on Monday.

6  
7           ---Whereupon the hearing was adjourned at 4:10 p.m., to  
8           be reconvened on Monday, August 17, 1991 at the  
9           Board's offices, 151 Bloor Street West, 10th Floor,  
10          Toronto, Ontario.

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25          MC [C. copyright 1985].

















